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THOMAS PAINE'S POLITICAL THEORIES.

THE political theories of Thomas Paine were struck off in the course of a career that extended over the revolutionary quarter of the eighteenth century and persistently followed the storm centre of the revolutionary movement.[1] In January, 1776, he issued his famous pamphlet *Common Sense* — the strongest plea that was made for American independence; in the same year appeared *The Forester's Letters* — Paine's side of a controversy with Dr. William Smith, of Philadelphia; from 1776 to 1783 appeared thirteen letters under the heading of *The American Crisis*, and in 1786 the *Dissertations on Government, the Affairs of the Bank and Paper Money*.

In the same period Paine had served as aid to General Greene, as secretary of the Congressional Committee for Foreign Affairs and as clerk of the Pennsylvania Assembly. In 1787 he returned to England, where he published in 1791–92 *The Rights of Man*, as a reply to Burke's reactionary *Reflections on the Revolution in France*. Like his *Common Sense*, this production of Paine was extensively circulated and became widely influential. So obnoxious was its radicalism to the government that the author

[1] See Moncure D. Conway, Life of Thomas Paine (2 vols., Putnam's Sons, 1892). Also Writings of Thomas Paine, edited by Conway (4 vols., Putnam's Sons, 1894–96). The references in the present article, unless otherwise stated, are to this edition of the writings.

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was prosecuted for "scandalous, malicious and seditious libel," and upon trial was outlawed.

Before his case was heard, however, Paine passed over to France, where he entered the National Convention in the capacity of representative. In this new scene of activity the irrepressible agitator played, as elsewhere, a conspicuous part. He was a member of the committee which framed the Constitution of 1793,[1] and was active in the proceedings against Louis XVI, though he opposed the execution of the king. Among his writings during his stay in France were an *Anti-Monarchical Essay* (1792), the *Age of Reason* (1794–95), a *Dissertation on First Principles of Government* (1795) and *Agrarian Justice* (1797).

Paine returned to America in 1802 and plunged at once into the conflict against the Federalists, with a series of letters *To the Citizens of the United States* (1802–3). He also wrote on the proposed constitutional convention in Pennsylvania (1805). These last years of Paine's life were not happy. His bitter letter to Washington[2] and the radical doctrines of the *Age of Reason* had estranged many of his friends and had made him many enemies, so that the career of the author of *Common Sense* closed in comparative obscurity and neglect.[3]

It is the purpose of this paper to examine the political ideas for which this ubiquitous revolutionist carried on so long, so vigorous and so frequently successful a propaganda. Did he "breathe the political atmosphere" of Rousseau and Locke? and was his genius "from the first that of an inventor"?[4] Or did he merely "prate about the rights of man"?[5] These are questions that may be answered by a study of Paine's writings in their relation to general political theory.

[1] Conway says: "It is certain that the work of framing the Constitution of 1793 was mainly intrusted to Paine and Condorcet." — Writings, III, 128.

[2] Writings, III, 213 (1796). For Paine on John Adams, see III, 390.

[3] Paine was denied the right of suffrage at his home in New Rochelle in 1806. — See Life, II, 374.

[4] Conway, Introduction to Writings of Thomas Paine.

[5] McMaster, History of the People of the United States, II, 620.

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I.

A fundamental distinction in the political theory of Paine is that drawn between society and government.[1] The social condition he regards as the natural state of man, the governmental as purely artificial. Men are attracted into society, on the one hand, by certain wants which can be satisfied only by means of social coöperation and, on the other, by that love for society and social relations which is implanted in men from birth. Life in society, then, Paine regards as perfectly natural and normal. It is in this social state, moreover, that Paine finds the basis for the natural rights upon which his whole system rests. Burke, who was as much afraid of political change as Plato, had in his *Reflections* contended for government in accordance with historical precedent. To this argument Paine agreed; but, said he, if the justification for government is to be found in precedent, we must not stop short of the first and foremost precedent. In this search he finds that

> it is authority against authority all the way till we come to the divine origin of the rights of man at the creation. Here our inquiries find a resting place and our reason finds a home.[2]

If, then, we are to follow precedent, the state of man at the creation stands first in the series. But man, fresh from the hands of nature, possesses a body of original or natural rights, such as liberty, equality, *etc.*[3] That there may be no lack of connection between the primitive and the present state, Paine goes on to show that every child born into the world has the same kind of rights, as if "posterity had been continued by creation instead of generation." The state of nature, then, affords the first great precedent.

In this state of society men might have lived in peace and happiness without government, had the "impulses of conscience" been "clear, uniform and irresistibly obeyed."[4] Men are, how-

[1] See Common Sense, I, 69; Rights of Man, II, 406–11.

[2] Rights of Man, II, 304.

[3] See Declaration of Rights in French Constitution of 1793, which contained Paine's ideas on natural rights.

[4] Common Sense, I, 71; also Rights of Man, II, 406.

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ever, morally weak and imperfect, and hence require some restraining power. This is found in government, which is defined as "a mode rendered necessary by the inability of moral virtue to govern the world."[1] Unconsciously following the theory of St. Augustine, Paine declares that "government, like dress, is the badge of lost innocence. The palaces of kings are built upon the ruins of the bowers of paradise." Government was in his eyes a "necessary evil": "the more perfect civilization is, the less occasion has it for government." Little importance is attached to what he terms "formal government." The security of the people, their comfort and their progress, depend much more upon society than upon government. Social usage and custom, the mutual relations of men and their mutual interests, are of far greater influence than any political institutions, however perfectly constructed or skillfully operated. Government is needed only in those few cases where society cannot conveniently act. There are even instances where all the ordinary functions of government have been performed by society alone, as in the American colonies during the first years of the Revolutionary War.[2] On the whole, society is "a creature of our wants," government of our "wickedness"; society is a blessing, government is an evil; society is a "patron," government a "punisher."

The transition from society to government is effected by a contract between members of the society.[3] By the terms of this agreement, each individual retains all the rights which he is able to enforce, such as "rights of the mind," and the right to act for one's own happiness where this is not in conflict with the happiness of others. Rights which one possesses but is unable to enforce are deposited in the "common stock"; and, as Paine says, the individual "takes the arm of society in preference to his own." After the formation of government every man has two classes of rights: natural rights, by virtue of his membership in the human race; civil rights, by virtue of his membership in civil society.

[1] Common Sense, I, 71. [2] Rights of Man, II, 407.
[3] *Ibid.*, II, 306.

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Paine denied, as Rousseau had denied, the existence of a contract between people and government;[1] for such a contract would suppose the existence of a government before it had a right to act. The government could not logically be a party to the contract which created it. The only contract between government and people which Paine would admit is that the people should pay their governors as long as they retain them in the popular service.

II.

In the classification of the forms of government, Paine does not always adhere to the same canons of distinction. In one place he declares that there is but one species of man and one element of power; and that, therefore, "monarchy, aristocracy and democracy are but creatures of the imagination, and a thousand such may be contrived as well as three."[2] Again, from an historical point of view, there have been three classes of governments: first, government by superstition, in which the rulers and the priesthood are in close alliance; second, government by brute force, in which authority is obtained by conquest; and, third, government based on the rights of man.[3] The classification most commonly used divides government into two groups: government by "hereditary succession" and government by "election and representation."[4] Monarchy and aristocracy fall under the first of these classes; democracy, under the second.

For government by "hereditary succession" Paine, like Rousseau, had a deep-seated dislike. All hereditary government he looked upon as tyranny. There is no justification for such government on the basis either of right or of utility. In support of the legitimacy of the hereditary form, it might be urged that such a right was derived from the contract to which Paine stood committed; but to this he would reply that no one generation of men has power to bind another. A nation

[1] Rights of Man, II, 432. [2] *Ibid.*, II, 384, 385.
[3] *Ibid.*, II, 308. For another classification see Dissertations on Government, II, 133. [4] Rights of Man, II, 414; First Principles, III, 257.

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is in a constant state of change: infants are daily born into it and the aged are daily leaving; and in this ever-running flood of generation there is no part superior in authority to another. "Man," he argues, "has no property in man; neither has one generation a property in the generations that are to follow." Or, as otherwise expressed:

> Our ancestors, like ourselves, were but tenants for life in the great freehold of rights. The fee absolute was not in them, it is not in us: it belongs to the whole family of man through all ages.[1]

Paine suggests that "all laws and acts should cease of themselves in thirty years; it would prevent their becoming too numerous or voluminous."[2]

Again, it might be maintained that the right to hereditary succession had been acquired by prescription. But Paine will have none of this. To say that the right is acquired by time, is either to put time in the place of principle or make it superior to principle; whereas time has no more connection with principle than principle has with time.

> The wrong which began a thousand years ago is as much a wrong as if it began to-day, and the right which originates to-day is as much a right as if it had the sanction of a thousand years.

Political radicalism never found more complete expression than in the declaration of Paine: "Time, with respect to principles, is an eternal now."[3]

Failing to find a basis of right for hereditary government, Paine is no more successful in discovering support for the system in utility. He is blind to all elements of strength it may contain, and is able to see nothing in the hereditary system

[1] First Principles, III, 262.

[2] Dissertations on Government, II, 165. Compare Jefferson, Works (Ford's ed.), II, 115.

[3] First Principles, III, 260. — But Pennsylvania, Paine argued at another time, had no right to annul the charter of the Bank, because "the state is still the same state. The public is still the same body. . . . These are not new created every year, nor can they be displaced from their original standing, but are a perpetual permanent body, always in being and still the same." The next generation may annul the charter, but not the present. — See Dissertations on Government, Writings, II, 147, 166.

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but an unnatural and absurd method of selecting governmental officials. The plan is contrary to nature and to reason; and it is, in fact, hardly conceivable how apparently sensible people ever came to adopt it. We do not attempt to secure "an hereditary mathematician," or an "hereditary wise man," or an "hereditary poet laureate"; why, then, choose our governors after this fashion? The only parallel to the doctrine of hereditary succession is found in the theological tenet of original sin.

> In Adam all sinned, and in the first electors all men obeyed; in the one all mankind were subjected to Satan, and in the other to sovereignty; our innocence was lost in the first, and our authority in the last.[1]

In the institution of monarchy Paine can discern nothing whatever that is worthy of approval, much less of imitation. Every king is to him a George III, and a George III at his worst. The whole vocabulary of epithet is exhausted in the effort to render monarchy odious and ridiculous. "Sceptred savage," "royal brute," "breathing automaton," are presented as accurate characterizations of kings. Burke's elaborate and eloquent plea for the "divinity that doth hedge about a king" was wholly unappreciated by Paine, who compared monarchy to

> something kept behind a curtain about which there is a great deal of bustle and fuss, and a wonderful air of seeming security; but when by any accident the curtain happens to open and the company see what it is, they burst into laughter.[2]

Kings are only useless and expensive figureheads — the sooner dispensed with, the better. The only function performed by the English king is that of making war and giving away places for £800,000 a year and being worshiped into the bargain.[3] Even in a representative government Paine would oppose the establishment of a single executive, because one man will always be at the head of a party and because, moreover, there is a certain debasement involved in the idea of obedience

[1] Common Sense, I, 81.

[2] Rights of Man, II, 426.

[3] Common Sense, I, 84. Paine admits that in an absolute monarchy a king may be of some service.

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to any one individual.[1] Paine's opinion of monarchy is fairly expressed when he declares: "Of more worth is one honest man to society and in the sight of God than all the crowned ruffians that ever lived."[2] This single statement contains both his premises and his conclusions.

Aristocracy Paine disliked almost as much as monarchy; but the weight of his argument (or invective) was naturally directed against kings rather than aristocrats. George III and Louis XVI were the objective points of his attack. His principal arguments against aristocracy were: that it is kept up by family tyranny and injustice, that it establishes a body of men unaccountable to any one and therefore not to be trusted, and that it has a tendency to "degenerate" the species. "The artificial noble," he said, "shrinks into a dwarf before the noble of nature."[3] Both monarchy and aristocracy, he thought, were doomed to speedy dissolution; and he did not believe that they would "continue seven years longer in any of the enlightened countries of Europe."[4]

Rejecting all forms of "hereditary government," it appears that the only worthy form is the representative or republican. A republic, however, is with Paine more a matter of principle than of form: in fact, any government established and conducted for the public good is a republic.[5] The security that government will be so administered is found in the social contract, which guarantees the rights of all; otherwise, "despotism may be more effectually acted by many over a few than by one man over all." The essence of republican government is, therefore, that the "principle of despotism" be given up and that of contract and consent accepted. This insured, we are led up naturally to a system of "election and representation." On this question Paine parted from Rousseau and was an ardent advocate of representative government. Moreover, his idea of the extent to which the citizens should share in this representation was unusually broad. He denounced even

[1] Letter to Washington, III, 214.
[2] Common Sense, I, 84.
[3] Rights of Man, II, 323.
[4] *Ibid.*, II, 398.
[5] Dissertations on Government, II, 137, 138.

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the feeblest barrier in the form of a property qualification, and declared himself in favor of universal manhood suffrage.[1] The basis of representation, he contends, should be personal rather than property rights. Personal rights may, indeed, be regarded as a "species of property of the most sacred kind." As for wealth, as commonly understood, its possession is "no proof of moral character; nor poverty of the want of it." In regard to protection to the "landed interests," there is no reason why they should be guarded more than any other class of interests; but if there were especial cause, the surest guaranty would be found in the grant of equal rights to all. This follows, because a high property qualification excludes a majority of the population, who are likely to become hostile to the government and to endanger the security and safety of all. Furthermore, argues Paine, government is not organized on the same principle as a bank or a corporation, where property is the sole subject of discussion. In such cases it may be just to allot representation in proportion to property; but government is organized upon a different principle from such associations. It takes cognizance of every citizen, whether he has much or little or no property at all. The basis of representation should be, he urges, as broad as the subjects to which the government applies, and hence all should be entitled to the franchise. Representative government, therefore, should rest upon no narrower foundation than manhood suffrage.[2]

III.

The tripartite division of governmental powers into executive, legislative and judicial, as marked out by Montesquieu and generally received by eighteenth-century republicans, was not acceptable to Paine. He agreed to the principle of division, but not to the form commonly adopted. Paine held that there are only two classes of governmental powers — the willing or decreeing and the executing; one corresponding to the

[1] The Constitution of 1795, III, 280; First Principles, III, 265 *et seq.*

[2] First Principles, III, 268, 269.

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faculties of the mind, the other to those of the body.[1] If the legislature wills and the executive fails to perform, as in a man when the mind wills and the body does not execute, a condition of imbecility results; or, if the executive acts without the predetermination of the legislature, a state of lunacy. The third and omitted power — the judiciary — is, in Paine's opinion, not a separate and distinct power at all, but is, strictly speaking, as in the modern French theory, a part of the executive. The latter he looks upon as made up of "all the official departments that execute the laws"; and of these the judiciary is the chief.[2]

For mixed or balanced governments Paine cared but little. Mixed government he derides as "an imperfect everything, cementing and soldering the discordant parts together by corruption to act as a whole."[3] In the system of checks and balances which Montesquieu found in the English constitution, Paine had little confidence. The greatest weight in any government will, he thinks, be the controlling power;[4] and, though the other powers may retard the rapidity of its motion, they are unable to prevent its ultimate success. The strongest power will finally prevail, and "what it wants in speed is supplied by time." In the English constitution the crown is the heaviest weight and, therefore, the controlling power.[5]

Paine's conception of a constitution is that of a definite body of instructions, or general rules, in accordance with which government is to be carried on.[6] The constitution is the creation, not of the government, but of the people or the society. Thus, the National Assembly of France (1791) represents the society "in its *original* character"; but, after the formation of a constitution, future Assemblies will represent the society "in its *organized* character."[7] A constitutional convention does not

[1] Answer to Four Questions, II, 238, 239; First Principles, III, 275.
[2] First Principles, I, 276.
[3] Rights of Man, II, 383.
[4] Common Sense, I, 74.
[5] See analysis of English Constitution, I, 72–74.
[6] Rights of Man, II, 309.
[7] Rights of Man, II, 311; Dissertations on Government, II, 147.

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signify to Paine a representation of the state, but of what he calls the "society," the "people," the "nation." Paine, moreover, thinks of a constitution as something which exists, not "in name only, but in fact"; which has "not an ideal, but a real existence"; and which can, furthermore, be produced "in a visible form"—in other words, a written constitution. Burke could not produce a copy of the English constitution; therefore, "we may fairly conclude that, though it has been so much talked about, no such thing as a constitution exists."[1] Cloudy as this part of his constitutional theory may be, there are other places where Paine shows great clearness of thought. Especially is this true in regard to the amendment of constitutions. Rigidity and inflexibility he considers as highly undesirable in the organic law.[2] The constitution should contain provision for its own amendment; for, however advantageous it might be for posterity to inherit a perfect constitution, such a consummation is impossible. "We should not," he says, "allow our anxiety for their [posterity's] welfare to carry us to the pitch of doubting their capacity. They might be wiser than we are."

In his practical politics Paine favored, as we have already seen, a system of representative government, based on manhood suffrage. Further, the executive power should not be centered in the hands of one man, and should not possess a veto.[3] The legislature should consist of one house only, in which all the good and none of the bad effects of a bicameral system should be secured, by dividing the house into two sections for debate on every question, the combined vote of the two divisions being taken to determine the result.[4] In regard to the judiciary, Paine condemned tenure during good behavior, and thought that judges should be elected annually, or for the same term as other officers. Lawyers he denounces in

[1] Rights of Man, II, 310.

[2] Answer to Four Questions, II, 249–251.

[3] See Constitutional Reform, IIII, Appendix G.

[4] Four Questions, II, 236; Constitutional Reform, IIII, 462. In the Four Questions he "is a little inclined to admit the idea of two chambers with an arbitrary and reciprocal veto." (II, 244.)

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rather severe terms—asserting, for example, that the bar "lives by encouraging the injustice it pretends to redress." He distinguishes between "lawyers' law" and "legislative law," and protests against the former, because it is "a mass of opinions and decisions, many of them contradictory to each other." Paine holds courts of arbitration in high favor and recommends resort to them, whenever possible, in preference to the ordinary tribunals.

IV.

Other points of interest and importance in Paine's politics are found in his scheme for a progressive income tax[1] and his plan for "agrarian justice."[2] The first of these suggestions is found in the *Rights of Man*, where he outlines a plan for an income tax ranging from threepence per pound, on £50 clear yearly income, to twenty shillings—or confiscation—for the twenty-third thousand of clear yearly income. In the same connection is presented an elaborate plan for state aid to the poor in the shape of pensions, donations for marriages and births, allowances for funeral expenses, employment for the casual poor in London and Westminster[3] and other like measures.

The scheme for "agrarian justice" starts with the proposition that all men have an equal right to "natural property," though not to "artificial property." The object of the plan is to make every individual secure in this right to "natural property." Estimating that the natural wealth changes hands by inheritance every thirty years, Paine proposes to tax all inheritances ten per cent and all those descending out of the direct line an additional ten per cent. From this fund every man, when he arrives at the age of twenty-one, is to be paid the sum of £15, and every person over fifty may require £10 per year. In this way every one will be secured in his original right to "natural property."

[1] Rights of Man, II, 497.

[2] Agrarian Justice, III, 322–344; see also his Maritime Compact, III, 421, and other propositions in the latter part of the Rights of Man.

[3] Rights of Man, II, 501, 502.

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These propositions of Paine are an excellent illustration of the flexible character of "natural-right" philosophy. Government, in his theory, is at once a necessary evil, with narrowly circumscribed functions, and, on the other hand, a beneficent instrument admirably adapted to collect a confiscatory income tax or a twenty per cent inheritance tax, or to administer schemes for state assurance of employment and support. The "rights of man" are turned with equal ease to the support of either scientific anarchy or a socialistic system. Paine, it is true, was neither a socialist nor an anarchist; but there was nothing in his fundamental theory to hinder him from becoming the one or the other.

Another interesting illustration of the subjective character of the "rights of man" is furnished by Paine's answer to the remonstrance of the people of Louisiana requesting the privilege of self-government.[1] In answer to their petition for the recognition of their "natural rights," Paine asks: "Why did you not speak this when you ought to have spoken it? We fought for liberty when you stood quiet in slavery." In language strangely at variance with his *Rights of Man*, he suggests that the petitioners already enjoy a degree of liberty;

> and in proportion as you become initiated into the principles and practice of the republican system of government, of which you have yet had no experience, you will participate more and more, and finally be made partakers of the whole.

A proof of their incapacity is found in the fact that "under the name of rights you ask for powers — power to import and enslave Africans,[2] and to govern territory that *we* have *purchased*." Inalienable rights, it would seem, may be forfeited under certain circumstances, and political liberty is not a thing to be considered apart from political capacity.

[1] For the Remonstrance, see Annals of Congress, 1804–1805, p. 1597; Paine's Reply (1804), in Writings, III, 430–436.

[2] Paine's first essay for publication was on African Slavery in America. — Writings, I, 4.

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V.

From the foregoing sketch it seems clear that Paine cannot be classed as a great political thinker. His theories of the state of nature, the rights of man, the social contract, representative government — in fact, all the great features of his system had been marked out before and better by others. Paine was not a philosopher, but an agitator. The source of his power is found in his rare faculty for popular statement of radical political ideas. Few political writers have had a more perfect mastery of the art of popular persuasion — few have played more skillfully on the popular chords than the author of *Common Sense* and the *Rights of Man*. Only one voice, that of Rousseau, has proclaimed with greater effect the democratic doctrines of the natural-right school. The *Contrat Social*, however, rejected the representative system; so that Paine was, in fact, the great popular champion of radical democracy in the latter part of the eighteenth century.

The influence exerted by Paine in his advocacy of democracy, though popular rather than scientific in its nature, was by no means inconsiderable. In France he helped to combat Abbé Siéyès's plan for an hereditary monarchy and aided in the establishment of the phrases and forms, at least, of constitutional liberty, even if its life was wanting. That England was moved by his arguments in the *Rights of Man*, is evident from the extensive circulation of the work and the widespread controversy which it aroused. His influence is noticeable in such works as William Godwin's *Enquiry Concerning Political Justice*, published in 1793. The European influence of Paine was crippled, however, by the fact that he was imperfectly adapted to the rôle of revolutionist in either of the two states where he labored. He was too French for the English and too English for the French. No checks and balances, no monarch, no hereditary nobility, but government based upon manhood suffrage — these were ideas that ran counter to English instinct, especially in England, frightened by the scenes across the channel. On the other hand, Paine was hardly radical enough to keep even

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pace with the progress of the French Revolution. As he says in his reply to the Louisiana remonstrance, "You see what mischief ensued in France by the possession of power before they understood principles. They earned liberty in words, but not in fact." Paine's political ideas and political spirit were, after all, English and not French. With the French Declaration of the Rights of Man he did not disagree, but in the practical application of its ideas to political organization he was certain to differ.

In America Paine's power was weakened by the appearance of his *Age of Reason*, which extended his radical activity from the field of politics to that of religion. The conservatives, moreover, now that the American Revolution was accomplished, were inclined to forget the doctrines of that period and to think more of the duties than of the rights of man. So, an answer to Paine's greatest work was undertaken by J. Q. Adams, in a series of letters over the signature "Publicola." On the other hand, Jefferson and the Jeffersonian democracy accepted and approved in great part the political ideas of Paine. His hatred of England and his championship of manhood suffrage tended to make his general theory acceptable; and it is perhaps fair to say that John Adams's *Defense of the Constitutions of Government of the United States* and Paine's *Rights of Man* represented the political theory of the two great branches of American democracy of that day.

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ANARCHISTIC CRIMES.

THE strongest opposition to the full realization of an *entente* for the suppression of anarchism as a form of criminality has come from two classes of incurable doctrinarians. The first class includes those who cling to the rhetorical conception of "political" crime, chiefly derived from the classical notion of tyranny, and who therefore contend that even the most atrocious deeds, when committed in the name of the anarchistic theory or of any political theory whatsoever, are to be regarded as political crimes and to this extent excluded from the law of extradition. The second class consists of those who repeat the misleading commonplace, that "laws are insufficient to repress anarchism, because persecution incites imitation." These latter, among whom we find such an authority as Professor Lombroso,[1] go so far as to say that "the idea of suppressing not the microbes of anarchy but the sick [*i.e.*, the anarchists] is one that cannot take shelter except among a people unworthy to live and to enjoy the light of modern civilization." Anarchism, they claim, cannot be suppressed, except by eliminating those causes of social distress that constitute the fertile soil for the development of this social disease.

I.

The first of these two views is grounded upon a misleading notion of political crime. Against this notion it cannot be too strongly insisted that, within the range of acts involving murder or theft, there is no such thing as a "political" crime.

What, then, is crime, in its typical and most general form?

Garofalo, the Italian criminologist, has justly remarked that, if we look to the racial development of moral ideas for light

[1] See *The Independent*, December 8, 1898.

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upon the genesis of the conceptions of crime and punishment, we are at first struck by the great variations in the ethical standards of conduct among different peoples and at different epochs. What inoffensive deed has not been pronounced criminal? And what act, however monstrous, has not been excused and even justified? The relativity of the notion of crime thus at first appears undeniable. But let us push our analysis farther and deeper. Leaving aside a few savage tribes, degenerate or incapable of development, which represent a real anomaly in the life of the race, let us consider the moral evolution of the superior types of humanity. Through all the infinite transformations of morality, under the sway of superstitions, customs, institutions, legislation, we can invariably detect a common fund of feelings that constitute the elementary moral sense — the common endowment of peoples that have reached the human or social plane, the indispensable soil for the complex and highest developments of virtue. These feelings, the exceptional absence of which characterizes the born criminal, and the exceptional violation of which constitutes crime in its primitive and typical form, may be said to be identical with the minimum of "pity" and "probity" presupposed by horror of bloodshed and by repugnance to theft. Without the existence of such a minimum of pity and probity in the average man, murder and theft, the most violent assertions of individual activity, would spread unchecked to the point of destroying the possibility of collective life. Thus we find in Garofalo's theory the touchstone for recognizing the criminal, and therefore abnormal, character of certain human actions. There is crime whenever there is perpetrated, for whatever purpose, an offense, in the form of murder or theft, against either of the two fundamental forms of the ethical sense. This is what he calls *delitto naturale*, meaning crime in its primitive and typical manifestation.[1]

Now, what has always been understood as a political crime is a deed directed against the persons or things representa-

[1] There is a French translation of Garofalo's Criminologie in Alcan's Bibliothèque de philosophie contemporaine.

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tive of the collective authority, with the purpose of bringing about, directly or indirectly, a violent change in the framework of social institutions, according to a certain plan of reform in opposition to the opinions of the majority which rule the community. According to Lombroso's well-known theory, the so-called political crime is but the abnormal manifestation of a normal fact, namely, the typical contrast between inventiveness, the privilege of a few, and the conservatism — or, as he puts it, the "misoneism" — of the majority. This antagonism of tendencies lies at the root of social life. There is and there always will be, in every social group, a minority of dissidents — a number of minds entirely or partially refractory to the suggestions of dominant ideals. But there is an almost infinite scale of intensity in inventiveness — from the creations of genius down to the hallucinations of the maniac. When the unavoidable residuum of dissidence is cast into the mould of a thought of genius, which reveals the inefficiency of old, hardened structures, the impotence of obsolescent customs and codes to control new wants, and suggests a new formula of satisfaction, then we have revolution. This, in spite of the name, is a normal fact; for it is the means through which the altered equilibrium is reëstablished between social wants and social institutions. When, on the contrary, the dissidence represents, instead of germinal ideas, only gross emotionalism, resulting in restlessness and morbid sentimentality, then the result is rebellions and riots — immature phenomena, destined by their very immaturity to undoubted failure. In these sterile attempts to alter violently the organization of the collective life, against the resisting will of the majority, Lombroso finds what has been termed "political crime." There is, he remarks, a constant flow of common criminality into the field of political *neophilia*. But while in revolutions the number of normal exceeds that of abnormal people among the participants, in partial rebellions and in riots the excess of degenerates over normal people is overwhelming.[1]

[1] Lombroso and Laschi, Il Delitto politico — translated into French under the title, Le Crime politique et les révolutions, in Alcan's series.

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An objection to this theory may be derived from the evident impossibility of drawing a sharp line of demarkation between a revolution and a rebellion. The theory, it has been remarked, assumes success as the criterion of discrimination between what is to be regarded as a normal form of political dissidence and what is to be regarded as a crime. Certainly, a murder, even if committed in the course of a successful revolution, does not lose its criminal character and does not differ from a murder committed during the excitement of a sporadic riot. Thus, while agreeing with Lombroso in the main lines of his conception, it seems safer to assume that what marks the appearance of a crime grafted upon the assertion of a political dissidence is not the success of the undertaking, but the use of violence as a means for bringing about the desired change in social institutions.

Violence means, of course, action upon persons and things: it means an aggressive assertion of the individual personality, leading — if left unchecked — to destruction of persons and property. Such an offense presupposes in the offender the absence, either permanent or transitory, of the minimum of pity or probity required for the normality of the moral type of man. When the equilibrium of this type is destroyed through the contagious suggestion of the mob, we have the murder and theft committed during revolutions and rebellions. When, on the contrary, the equilibrium is altered by the action of individual factors of degeneration, we have the solitary deeds of maniac or epileptic regicides. In all these instances, the so-called political crime is nothing but a variety of crime in its typical form of murder and theft, having as its impulsive suggestion a political thought or scheme of social reform. This latter is not the crime, but the impulse to crime, finding its way into murder and theft through the action of degenerative causes — collective or individual — which destroy the normal equilibrium of the moral type of man.

According to this view, political crime, when involving murder or theft, differs from what is called common crime only in its motive. The motive of the political crime may be, instead of

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desire for vengeance or personal cupidity (as in common crimes), the desire to bring about a change in the political organization of the social group. But the quality of the end in view is irrelevant, when the means constitutes an act incompatible with social life. A man who commits murders and thefts is a man who has not the endowment of feelings which constitute the foundation of moral sense and who is, therefore, an abnormal man. Thus, whenever for political purposes an offense is perpetrated which presupposes, like murder and theft, the absence of the minimum of pity and probity required for the normality of the moral type of man, the denomination "political crime" becomes misleading. There we have crime, pure and simple.

II.

In anarchistic crimes the political thought or theory is the initial suggestion to crime. What, then, is anarchism as a theory? We need not trace in detail the well-known history of the doctrine of anarchism; but the fact must be emphasized that anarchism represents but one variety in the development of the thought which runs through the different theories known by the name of socialism. Throughout the numerous sects into which socialism has crumbled we can detect a common principle — namely, the aspiration to terminate the violent separation of workers from the two sources of subsistence and culture, land and capital. This central aim is based upon the assertion that social evolution has tended gradually to exclude the producing classes from the possession of those two sources of enjoyment and happiness, and to establish a new slavery — that of the workers who have nothing to depend upon but precarious wage labor. For the attainment of the common end, a variety of plans and schemes of social reorganization have been proposed, revealing two antagonistic tendencies — the collective and the individualistic (*libertaire*). Thus, the different schools of socialism can be classified into two groups. Those of the first group (Fabian Society, Vollmar's followers, Marxists of various denominations, *Possibilistes*)

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maintain that the ideal organization of society can be achieved only by means of a powerful concentration of authority in a collective organ, emanating from the popular will and intrusted with the control of the distribution of wealth, according to certain predetermined lines: in other words, they desire to extend the function of government to the domain of economic facts. The schools of the second group aim at suppressing every form of "external" authority, and at replacing the coercive system by one of spontaneous coöperation, based on the alleged aptitude of man to recognize his own interests and to act voluntarily in the direction that leads to their protection. This group includes the various anarchistic sects.[1]

Thus, we must be on our guard against the misleading assertion that socialism has nothing in common with anarchism. That statement is often repeated, either through ignorance of the doctrinal antecedents of both socialism and anarchism,[2] or through reasons of political opportunism, when it seems desirable for socialists to disclaim any solidarity with the criminal deeds of militant anarchism. Historically and theoretically, however, socialism and anarchism are branches of the same tree. Socialism is the outcome of the French Revolution. At its root we find the whole *bloc* of Jacobinistic delusions — the assumption of a pre-social condition of absolute freedom, equality and independence, with the conception of the contractual character of social intercourse and of the consequent possibility of remodelling at any moment the constitution of society, according to an ideal plan. Without the French Revolution and the great intellectual movement which made ready for it during the whole of the eighteenth century, there would have been no socialism — at least, not in the form which it first assumed. The fever of constructive speculation upon the ideal organization of society

[1] This is precisely the interpretation of anarchism given by one who can be considered an authority on the subject, Saverio Merlino, the well-known Italian anarchist, in his work, Pro e contro il Socialismo: esposizione critica dei principii e dei sistemi socialisti. (Milan, 1897.) This book has been recently translated into French, as Formes et essence du socialisme. (Paris, Giard & Brière, 1898.)

[2] It is surprising that it should also be repeated by Nitti, in his article on "Italian Anarchists," published in the *North American Review*, November, 1898.

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which characterized the last decades of the eighteenth and the beginning of the nineteenth century, was determined by the industrial crisis then prevailing in Europe, as the result of inventions and technical improvements, the applications of steam, the rise of the factory system and the beginning of the absorption of working producers into an army of wage laborers. It was this complex movement of facts that suggested the possibility of further developments of the Revolutionary doctrine in the direction leading to socialism.

But, as an outgrowth of the French Revolution, socialism reproduced the same contrast of tendencies which gave so peculiar an aspect to the Jacobinistic carnival: on the one hand, a tendency to centralization — to an all-invading, all-absorbing type of government; and, on the other, a tendency to a violent assertion of the rights and activities of the individual. Thus we find, on the one side, Saint-Simon, the first socialist of the collectivistic stamp, whose central idea was to organize a strong directive power in society and intrust to it the task of supplementing by positive and constructive achievement the negative and entirely destructive movement of the Revolution.[1] On the other side we find Proudhon, the representative of the ultra-individualistic tendency, the man who claimed that the highest perfection of society lay in the absence of any form of government whatsoever. Here we have the first utterance of the anarchistic theory. The extreme individualism of the Revolutionary doctrines contained the germ of anarchism, and Proudhon undoubtedly helped to bring that germ to maturity. He was the true founder of anarchism. But we must never lose sight of the fact that he manifested the same trend of thought as Fourier, Saint-Simon, Louis Blanc; that, like them, he was a representative of the Revolutionary spirit; that, like them, he started from a conception of the purest "contrat-social" character — that of a man having rights antecedent to social life and therefore imprescriptible. Proudhon is separated from the collectivistic group only by a different conception of the

[1] See the interesting study by Georges Weill, Un Précurseur du socialisme, Saint-Simon et son œuvre. (Paris, 1894.)

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means to be adopted for the attainment of the same end. The ideal state of society shown by Proudhon to be incidental to the suppression of government presupposes the common possession of land and capital — the appropriation by the community of the instruments of production. There we find the central idea of socialism, which is the transformation of private competing capitals into a common capital, with a view to an equitable distribution intended to insure the full development of human personality.

The contrast of tendencies just pointed out was accentuated when, after 1848, the leadership of the socialistic movement passed from France to Germany and an inoculation of Hegelian blood gave renewed vigor to the theory, lifting the fog of Utopias and furnishing a pseudo-scientific form and basis to the plans of social reorganization. Here we find, on the one side, Karl Marx and his disciples, the representatives of the collectivistic doctrine and, on the other side, the gloomy figure of Bakounine, the depositary of Proudhon's individualistic creed, the apostle of pan-destruction and revolution. But Proudhon emphasized the fact that the abolition of government, anarchy, will be rendered possible only by a superior condition of human enlightenment and self-control, in which the individual shall be a law to himself, and thus pointed to the ideal and remote character of this social state, to be reached only through laborious development. Bakounine insists, on the contrary, on the possibility of the complete and direct abolition of classes and of political, economic and social inequalities, through the wholesale destruction of the present framework of society — the demolition by all available means of existing social institutions. But, even in this extreme form, the anarchistic doctrine appears to embody merely one means to that end which is common to all forms of socialism. While the Marxists and all the socialists of the collectivistic group hope to attain the more equitable distribution of wealth by coercion and by an intensification of the "external" authority, the anarchists claim that it may be attained through the free play of individual activities.

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III.

The only possible standpoint from which to judge the logical soundness of the various socialistic theories is, however, the *ensemble* of practical devices submitted by every school as a means to social reconstruction. From this point of view, the socialistic theories exhibit a remarkable gradation of Utopian absurdity. From the Marxist or collectivistic doctrine down to the extreme shades of anarchism, we proceed to a climax of delusion. In the collectivistic theories we find acknowledged certain fundamental exigencies of social life, such as the necessity of a directing power and of a collective control over common interests and individual desires. In the anarchistic theories, from Proudhon down to their latest interpreters, we find a construction regardless of reality, a pure *a priori* creation—the new social organization resting on the conception of a man entirely different from what man is in real life. Between anarchistic dreams and insane delusions the boundary is almost imperceptible. When we have run the scale of the different shades of anarchism, we find ourselves far beyond the limits of mental sanity. It is not easy to draw a sharp line of demarkation between the hallucinations of a maniac and the so-called "theories" embodied in books like those of Tucker, Grave and Sébastien Faure. This explains the striking difference in the quality of the public that rallies around the two characteristic schools of socialism. Anarchism is a sort of refuge for all intellectual *déclassés:* it is a drain collecting the irreducible residuum of unassimilated minds, the waste product of social culture.

But anarchism is something more than an academy of nonsensical talk preparatory to the asylum. The insistence of the latest theorists of anarchism, since Bakounine, on the necessity of absolute freedom in the present condition of the great masses of the people, is the cause of the transformation of the theory itself into a tremendous agency of criminality. The ideal of anarchism, as outlined for a remote future by Proudhon,—a social state in which the necessity of government has vanished by the

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superior elevation of man's ethical power of self-control, — is undoubtedly of the highest character, aiming at a superior type of humanity, such as is set forth by the most enlightened religions and philosophies. But the loftiness of the ideal is necessarily unintelligible to the masses, while the possibility of absolute freedom through pan-destruction is grasped only in its reference to the low passions and appetites of the human gorilla. Thus the necessity of destroying every vestige of authority, by every possible means, which is one of the corner stones of Bakounine's doctrines, attracts all social outcasts — the dissatisfied people who, not having succeeded in life, are filled with envy and bitterness — and all those on the border of crime, who find in militant anarchism a wide field for the assertion of their destructive impulses.

In anarchism we find a confluence of two currents of social degeneration: intelligence which has proved incapable of becoming an agency of social progress and is, therefore, forced into the regions of Utopia; and character which has failed to yield to the exigencies of social adaptation and is, therefore, forced into the field of rebellion and violence. Thus it happens that the doctrinarians of anarchism are scattered among a mob of desperate criminals. Men like Caserio, Angiolillo and Luccheni do not become assassins because they are more or less imbued with the most superficial aspects of the theory of anarchism, but simply because they are born criminals. To become a doctrinarian of anarchism like Sébastien Faure or Grave, there is only necessary a sufficient degree of mental unbalancing to prevent one from perceiving the Utopistic side of the theory. But to become a propagandist by act, or an assassin, it is necessary that a strong tendency to crime exist prior to the initiation into the theory. This explains why some anarchists do not go beyond the speculative intoxication, — as, for example, Reclus, — while others, the majority, are thrown into the field of crime by the suggestions of violence and destruction contained in Bakounine's manifestos. This unavoidable drift of the anarchistic theory to become a channel for criminal instincts — what the French would term the *égout* or, still better, one of the social

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égouts — is proved by the fact that anarchism is just the form in which the socialistic doctrines have largely spread over the Romance countries, more profoundly contaminating those who show the highest rate of illiteracy and criminality. The coincidence of these two facts — diffusion of anarchism, on the one side, and a high percentage of illiteracy, together with a heavy rate of criminality, on the other — goes to show that anarchism cannot find favorable conditions of development where the social fibre is sound, where the criminal or anti-social tendencies are not strong enough to furnish a large body of people ready to accept the destructive formulas of Bakounine. Thus, a fermentation of criminality seems to be the outcome of the anarchistic theory, which acts as a leaven upon certain low strata of the social population. The theory is not the crime, but it is the impulsive suggestion to crime.

IV.

If this analysis be correct, what we have called the rhetorical conception of political crime must necessarily fall to pieces. The exclusion of criminal deeds involving murder and theft from the law of extradition, on the ground that they are committed for political purposes, appears to be utterly unjustifiable. We have said that the quality of the end in view is irrelevant when the means constitute an act incompatible with social life. A man who commits murders and thefts is a man who has not the original endowment of feelings which constitute the foundation of moral sense. He is, therefore, an abnormal man, and must be suppressed or rendered impotent for doing evil. Whenever the two typical forms of crime — murder and theft — appear, the fact that they are essentially anti-social acts, incompatible with collective life, calls for prompt repression, in the name of social defense, and justifies extradition.

This conclusion is in perfect agreement with the position taken by the *Institut de Droit International* in its memorable session of September, 1892, at Geneva, when the subject of

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extradition was thoroughly discussed, especially with reference to political crimes.[1]

Here are the resolutions adopted by the *Institut:*

1. Extradition cannot be granted for purely political crimes.

2. It will not be granted in the case of offenses connected with political crimes (*délits politiques relatifs*) unless there be committed such crimes as murder, assassination, poisoning and theft, especially theft perpetrated by violence.

3. Offenses committed during an insurrection or a civil war cannot give rise to extradition unless they represent odious acts of barbarism in opposition to the law of civilized warfare.

4. Crimes directed to uproot the fundamental social institutions, irrespective of national divisions or of any given political constitution, or form of government, are not to be considered as political crimes.

This latter proposition refers to anarchism. The resolution of the *Institut* thus appears to be determined by a conception of crime identical, in the main, with that outlined by Garofalo.

V.

But when once the legitimacy of extradition is acknowledged in the case of common crimes committed in the name of the anarchistic theory, we must ask ourselves the question: Shall we punish anarchists only when they commit murder or theft, leaving them unmolested when they preach their doctrines of destruction without passing from the word to the act? This is a vital point. If the freedom of propaganda is to be admitted, then the suppression of anarchism becomes an impossibility and every other means that may be devised for that purpose will prove ineffectual.

Since the laborious investigations of the last twenty years in the field of social phenomena have led to the discovery that social intercourse is essentially a phenomenon of inter-cerebral action—that is to say, a fact of suggestion and imitation;[2] since

[1] For a clear account of the question, see Rolin, "Du Principe de la non-extradition en matière de délits politiques," in *Revue de Droit International*, 1892, p. 17.

[2] The reader is referred to recent sociological literature, mainly to the works of Tarde (Les Lois de l'imitation — Les Lois sociales) and Baldwin (Social and Ethical Interpretations in Mental Development).

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we know that thought is the "social matter"—the only thing which is transmitted through imitation from one individual to another—and therefore the only agency of social transformation, capable of being, according to its ever-changing contents, a ferment of progress as well as an instrument of demolition, our conception of government and of collective authority at large must necessarily undergo a profound modification. We can no longer imagine government as the passive instrument for the preservation of material order. It must have positive duties of leadership in the pursuit of the good; and, while its negative function is to insure the free competition of ideas or "inventions" (in the wide Tardian meaning), in order that the virtualities of each may be ascertained through the method of universal suffrage, it is the positive duty of government to see that the integrity of social life is not impaired by the diffusion of anti-social ideas—of ideas suggestive of acts leading to social disintegration. It has been justly remarked that "there are poisons for the mind just as there are poisons for the body. Certain doctrines are veritable poisons for the soul. . . . The number of intellectual poisons is as great as that of physical poisons."[1]

The doctrine of anarchism in its latest developments presents crime in its two typical forms, murder and theft, as the only possible means of reaching the ideal state of society. If the suggestions of this theory were to be carried out by a great number of men, the unchecked spread of murder and crime would soon bring the body social to an end. Hence, the theory is poisonous and must not be left to exert its tremendous power of contamination. The possibility of the propagation of the theory, in its aggressive form of the so-called propaganda by act, ought to be suppressed by every available means. It is not enough to punish the murderers and thieves of anarchism, and to extend the law of extradition to such criminals: it is necessary also to punish as a crime the propaganda of murder and theft by speech or writings. To this crime extradition

[1] L. Proal, Political Crime, translated from the French, with an introduction by Prof. F. H. Giddings (New York, Appleton, 1898), p. 101.

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should be applied, on the ground that we are thereby confronted with a crime which reveals in the delinquent the absence of that minimum of moral feelings which constitute the elementary moral sense of a normal man. It is not proposed, of course, to make criminal the mere expression of anarchistic hopes for a remote future, without any reference to the means through which the ideal is to be attained. The ideal of anarchism does not constitute the crime, but the means proposed for its realization by the latest interpreters of the doctrine do constitute crimes; and therefore the incitement to commit them call for a penal sanction, for the same reason that the incitement to murder and theft for purposes other than political is punished as a crime.

VI.

In this direction the solution of the problem is to be found. The assertion, repeated by Nitti, that "laws are insufficient to repress anarchism," is, as we have already noted, a misleading commonplace. Persecution may incite imitation, arousing enthusiasm and renewed faith in certain exceptional cases of morbid emotionalism, when the anarchistic intoxication is the outcome of a profound alteration of the mind. Upon these maniacs the laws, of course, will have no effect. But there are among the recruits of anarchism a greater number of individuals who still retain a sufficient degree of mental control to understand the possibility of avoiding acts that lead to suffering. Upon these, undoubtedly, the penalties of the law would have an inhibitory effect, thus neutralizing the motor power of the suggestion which, if not interfered with, would have thrown them into the obsession of the anarchistic nightmare.

GUSTAVO TOSTI.

NEW YORK CITY.

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BISMARCK'S APPRENTICESHIP.[1]

THE number of published volumes concerned with Bismarck and his work increases steadily, but among them all there is very little trash. While many important sources of information have long since been made accessible in print, the *Gedanken*, which is the latest addition to the list, is quite the most important: Bismarck's thoughts and memories, committed to writing by himself — that is, dictated by him and set down by Lothar Bucher, who was easily the ablest of all his secretaries, and then corrected by the prince. The volumes tell us nothing new, but they authenticate what we have known and take us into the statesman's laboratory. It is a pity that our copyright laws forbid the sale of the German original in the United States except in a rather cheap reprint. The English translation displays many marks of haste and some inaccuracies; and it is confessedly a mosaic by several hands under one editor. Nevertheless, the two volumes are fine specimens of bookmaking, and in the main the editing is so good that the reader suffers little from obscurities of style. The text is for the most part thoroughly smooth, and the meaning of the author is quite clear. With these volumes in hand, supplemented by the posthumous book of Bucher, which is in the press, and with careful attention to what was already accessible — namely, the chronology, letters, speeches, inter-

[1] Gedanken und Erinnerungen. Von Otto, Fürst von Bismarck. New York und Stuttgart, J. G. Cotta'sche Buchhandlung Nachfolger; New York, Lemcke & Buechner, 1898. — xxvi, 647 pp.

Bismarck the Man and the Statesman. Being the Reflections and Reminiscences of Otto, Prince von Bismarck. Written and Dictated by Himself after His Retirement from Office. Translated from the German under the Supervision of A. J. Butler, Late Fellow of Trinity College, Cambridge. With two Portraits and a Facsimile of Handwriting. New York and London, Harper & Brothers, 1899. — 2 vols., xxi, 415; xx, 362 pp.

Le Prince de Bismarck. Par Charles Andler. Paris, Georges Bellais, 1899. — x, 400 pp.

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views, conversations, official documents and memoirs of the day, — the substantive material for the annalist may be regarded as fairly complete. M. Andler gives, in one of the appendices to his excellent exposition of Bismarck's life and character, a list of about a hundred standard volumes — written, arranged or edited by Kohl, Poschinger, Boehm, Dove, Hahn, Busch, Jules Favre, Gerlach, Roon, Bernhardi, Penzler, Hesekiel, Sybel, Friedjung, Blum and Schweninger — which are in a sense original authorities. To these might be added Erich Marcks's *Kaiser Wilhelm I*, the lives of Bismarck by Charles Lowe and Edouard Simon, and that by Andler himself. This last is laborious, accurate, high-minded and readable. In it will be found only a few judgments such as none but a French critic could have written; the others are dispassionate.

Bismarck's public life may be divided into four periods: his apprenticeship down through 1866, his success in creating the German Empire, his career as an administrator in unifying Germany and his decline. It is with the first that the autobiography is really more concerned than with the others. To be sure, a third volume of thoughts and memories is in existence, though not yet published; but judging from the course of the narrative as far as printed, the value of the additional matter, if it ever appears, will not be great. Writing in advanced old age, with the bitterness of his forced retirement ever poignant, the veteran statesman naturally recalled his rise and victories with greater vividness than even his career as chancellor. His memories of his youth and prime are therefore set down with vigorous phrase; but as soon as he touches his later life, he seems weary and somewhat vague. It is not likely that his third volume could return to a stronger style; and its historical value probably lies in the text of documents connected with his dismissal.

At eighty Bismarck apparently felt a total indifference to the influences of his childhood and boyhood; for he dismisses them in his autobiography with a few words of rather colorless sarcasm about the ultra liberalism which he imbibed at school and college in Berlin and which he quickly unlearned both at the University of Göttingen and in his short experience as a

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bureaucrat at Aachen and Potsdam. He claims that he was from the first indifferent to his noble origin; for he signed himself plain Bismarck, without the territorial prefix, until after the proposal made in 1848 to abolish the Prussian nobility, when he resumed the particle as a protest. The training of his father's house and the influence of his mother made him, in his own opinion, a true Liberal. This we take to mean that his sire was not as much of a younker or as self-assertive as most of the possessors of titles and sandy acres in the Old Mark of Brandenburg; that his burgher mother was so proud of her descent from a line of Liberal royal councillors that no younker of them all could awe her; and that this influence of the mother was stronger than that of her gentler husband. Moreover, although the great son was born in the Brandenburg manor house of Schoenhausen, which had been pillaged in 1806 by bands of Napoleonic soldiers from Soult's army and in 1813 had seen a battalion of Lützow's men encamped on its fields, yet the family was little concerned with hatred for the French or zeal for theories of national unity and personal liberty. Their income was in the main derived from fertile estates in Pomerania, on which they passed most of their time; their absorbing passion was tillage, drainage and the reclaiming of waste lands; and young Bismarck was more interested in farming as a business than in questions of social rank or political theory. His zeal for politics was purely practical, though as time passed he became a great reader and acquired a few germinal ideas of philosophical economics.

From 1837 to 1847 he lived the life of a Pomeranian squire—working hard, playing hard, reading hard, drinking hard; and it was as a representative of this class that he entered the provincial Saxon Diet and was chosen in the latter year a deputy delegate to the United Diet of Prussia, unwillingly summoned by the king to calm the popular tumults which were surging around him. Defying the law of 1815, which enacted measures for national representation, Frederick William III had constituted provincial diets to quiet the Prussian aspirations for self-government; but his successor was forced to express the

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national unity in some way, and he chose that of calling delegates from the provincial diets to meet in Berlin. Though under compulsion to this degree, the king was still grimly determined to conserve the absolutism which Prussia had in common with Austria—a government by the crown assured and exercised by police administration; for he believed that he could not throw away a weapon still wielded by his rival and continue to cope with her. In his efforts to thwart anything approaching constitutional reform and representative government through and by the Diet, he embittered the nation at large and opened the vials of its wrath against him.

Bismarck's first important public appearance was in the meeting of the United Diet of Prussia, on May 17, 1847. His speech was an effort to prove that hatred of the French, and not a desire for parliamentary institutions, had led to the patriotic movement of 1813. The orator attracted no special attention from his fellow-delegates; and his feelings must have been peculiar when, in the year following, rebellion broke out in consequence of the impossibility of securing popular rights by peaceful means. Although the barricades of the insurgent people in the streets of Berlin were not abandoned until the royal troops were withdrawn, yet, when the order to withdraw was given, the military were in the midst of a career which bade fair to be completely triumphant; and these conditions left room for both sides to claim the victory of fact as well as of principle. The desired constitution was promulgated — by the grace of a beneficent despot, as the Conservatives believed; in obedience to the popular will, as the Liberals always stoutly maintained. Bismarck's next important speech was a plea against granting amnesty to the rebels of 1848. This was in March of 1849; and in September of the same year he shouted, in an oration worthy of our most elevated stump fervor: "The Prussian eagle shall spread its wings from the eastern to the western boundaries of its domain, free and independent; not fettered by the influences of the Federation." The expansion of ideas is already evident. Further, he said with a sort of dramatic repression which now sounds like bathos: "This olive twig I

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plucked in Avignon as a peace-offering to the popular party; but I see the time has not yet come for that." It was at the close of 1849, in a confidential budget speech, that he made what has turned out to be his most famous utterance: "Not by orations and resolutions of a majority are the great questions of the time decided — that was the mistake of 1848–49 — but by iron and blood." This was the language which later gave him the title of the Iron Chancellor, but the phrase "iron and blood" was a quotation.

Thenceforward, though there were some modifications, there was little radical change in Bismarck's political creed. He believed that there were two methods of securing recognition for popular rights: from above, as he thought the Prussians must do; from below, as he said the English had been in a position to do in 1688 — since, after a century of revolution and civil war, the nation had a crown to give away. "Prussian monarchs owe their position to God's grace and not to the gift of the people; it is a crown not hampered by any conditions, and they have voluntarily ceded to their people certain of their rights." His pivotal notions were: first, loyalty to the Hohenzollerns, with adhesion to the law and to a constitution granted magnanimously by a victorious king (contrary to the general course of history) and sanctioned by the people; and, second, confidence in Prussia.

Divided as Germany was in 1848, the effects of the revolution consummated in France were enormous. Even the most reactionary German states had to yield somewhat, and the movement for unity gained in form and intensity. To this end liberal opinion decided that the effete Federation must be replaced by a modern system. A number of delegates to the various German legislatures assembled at Heidelberg and invited all who either were or had been members of diets, together with numerous other notable public men, to meet at Frankfurt. The invitation was accepted by five hundred. These in turn summoned a national assembly to be chosen by universal suffrage, one member for every fifty thousand voters. This body was elected in due form and sat with much solemnity, but it proved

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to be impotent, for its debates were wordy and doctrinaire. It soon divided into two opposing camps—on one side, republicans; on the other, constitutional monarchists. The rebellion of the German party in Schleswig-Holstein brought on a little war between Prussia and Denmark, and her untoward plight in domestic affairs compelled the former to treat for a prolonged armistice. This further embittered the disputes of the Frankfurt assembly, for in that body Prussia's conduct was entirely disapproved. Ultimately, however, it formulated a cumbrous constitution, excluding Austria from organic connection with a proposed new empire but contemplating a special act of union with her. Austria meantime made a few concessions to her liberal subjects, but in a temporary reaction she subdued the rebellion in Hungary and firmly seated the conservative ministry of Schwarzenberg. She was therefore strong for the moment and vented her bitterness. The Frankfurt assembly, however, proceeded to offer the imperial crown to the king of Prussia.

In the discussions and contentions of the time, the constitutional monarchists were materially assisted by the high character of the ruling family of Prussia for wisdom, prudence and energy. Its very faults were due to over-anxiety, and its motto has ever been that the king is the first servant of the state. It has justly been remarked that, if the Stewarts had been the Hohenzollerns, the absolute English monarchy would almost certainly have stood firm until long after 1688. It was a favorite plea of Bismarck's that tried is better than untried virtue. As might be imagined, his third important public appearance was to denounce the Frankfurt constitution, with its suspensive veto, its indirect suffrage and its inadequate representation for Prussia. In consequence of 1848 the Prussian Liberals had secured for themselves a true constitution, imperfect as it was; for they had a real Parliament, with two houses and freedom of debate. Austria did nothing but grant to the people a share in the administration. The result was hopeless disunion, so far as Germany at large was concerned. The imperial crown was, however, refused by the King of

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Prussia. It was long believed that this refusal was due to the fact that Frederick William IV was personally an irreclaimable reactionary and would not submit to the proposal of the further limitation of his power by an imperial parliament. A close examination of his letter, however, indicates that, in the darkness of an imbecility which was slowly overcoming him, he had a glimmering consciousness of the fact — which is now clear — that Prussia was too weak to sustain the dignity. She would in all probability have been ruined in the effort. Another reason for Frederick William's course suggests itself in the fact — not sufficiently emphasized — that even so wise a man as Frederick William's brother, the Emperor William I, hesitated to assume the imperial style in 1870 lest it might dim the glory of Prussia. Perhaps we may conclude that both brothers exemplified the same characteristic yielding, against inclination, to a stern sense of duty. The controlling motive of conduct, which Frederick the Great styled his "damned duty and obligation," took its special form in the Reformation and, having been embodied in Kant's philosophy and Schiller's verse, permeated the Prussians in every stratum of their social life.

In considering the rise of Bismarck, it is helpful to recall a comparison which he himself suggested. The two greatest statesmen of the nineteenth century were the younger Pitt and the German chancellor. Both were petty nobles, the former of the democratic, the latter of the feudal type. Both were aristocrats at heart and both were eager for conquest with the resultant enlargement of their sphere of influence. But Pitt was chiefly concerned for the extension of a system, while Bismarck showed an intense desire for power, as both a means and an end. The former was daring and always modern, the latter was prudent and often reactionary; the former strove to develop and be guided by popular power, the latter to repress and manipulate it. With Pitt it was always the crown for the sake of all Englishmen; with Bismarck it was, certainly at first, the crown for the sake of his class — a class, moreover, which was not conterminous with Germany, but which was in the main Prussian or confined to certain Prussian provinces and

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thus even more particularistic. But just as Pitt was the exceptional commoner, so Bismarck was the exceptional younker. Both were true statesmen and not mere politicians—men with prevision and prophetic insight, awake to the significance of past and passing events, and flexible where obstinacy meant ruin. With all his native arrogance, Bismarck understood the value of concession at the right time.

His fourth appearance as a parliamentary speaker was the defense of Manteuffel for the convention of Olmütz, where the Prussian minister yielded everything of importance to the demands of Schwarzenberg. For the sake of the peace which was essential to Prussia, in order that she might prepare for war, Russia and Austria were allowed to prevail also in their defense of the Elector of Hesse, when he overthrew the constitution of his country. There was truth in the contention of Napoleon that Prussia naturally belonged to the liberal state system of Europe; and, had he lived fifty years later, he might have found her ripe for the alliance he proposed before he attacked her. In 1850 there was such a tide of liberalism that the momentary surrender of Prussia to the principal power of the Holy Alliance rendered the majority of the Prussian parliament furious. Bismarck's plea was very able and gave pause to many a liberal hotspur; he argued powerfully that Prussian honor consisted in keeping clear of all connection with revolution and anarchy. This clever evasion of the point at issue, for the sake of a higher expediency, was worthy of Frederick the Great, his prototype. It gave him the next step in his advancement.

In 1849 Bismarck's name had been suggested for a position in the ministry; but the king had struck it off the list, with the remark: "Only to be employed when the bayonet governs unrestricted." After the speech just mentioned, the psychological moment seemed to have arrived; and Frederick William, summoning with some anxiety the young country gentleman who had got himself talked about, cautiously approached the important question of the post of Prussian envoy at Frankfurt, where, after the futile attempt at "union" made by the congress

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which Prussia summoned to Erfurt, the old Federal Diet had resumed its sessions. Without a moment's hesitation, Bismarck took what he chose to consider as a hint and accepted the mission. The king said: "You have plenty of courage in being so prompt to accept a position altogether new to you." The reply was ready: "It is your Majesty that has the courage." Explaining that if the appointment did not turn out well he could be recalled, the young squire closed by declaring that, "if the master had the pluck to appoint, the servant had the pluck to obey." What appeared an overweening self-confidence was quickly justified.

Bismarck's single aim during his seven years' residence in Frankfurt was to thwart Austria. When he left Berlin, he felt that Prussian interests would be safe in Austrian hands, but he was quickly undeceived. Russia's object in the Crimean War was to destroy Turkey. The question immediately arose as to whether Prussia should be Russian or side with France and England. The liberal sentiment of Prussia naturally inclined toward the western powers, and Austria's interest led her in the same direction. Although Bismarck knew English well, and had a certain leaning toward English modes of thought, yet, like many of his fellow-countrymen, he had never been able to forgive the desertion of Frederick the Great in his hour of need by George III. That act of perfidy was always in his thought and often recurred in his conversation. Whether it then influenced his mind or not, he took the ground that the first consideration for Prussia was the question of her hegemony in Germany and that, if she were to take sides at all, the burden of the war would fall upon her and she would be weakened, not strengthened, for the inevitable conflict with her rival. He pleaded, therefore, for a strong neutrality and a good understanding with Russia. In this policy he, of course, antagonized the public sentiment of his country; the liberals, in particular, were, as noted above, all for war and for an alliance with France and England. Bismarck's success in keeping Prussia aloof from the struggle naturally did not increase his popularity at home — at least as far as his attitude was known; for on the whole his

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work at Frankfurt was quietly done, and made no great stir until later, when its importance was recognized.

To all outward appearance the young diplomat was doing excellent routine work. He was likewise much occupied in amusing himself and travelled widely, in Italy, Hungary, Denmark, Sweden and Holland. During these journeys he collected an arsenal of information and experience, but without ostentation; and his true greatness was known only to the king and his brother, although many have since claimed to have discovered it at the time. How closely the monarch kept his envoy in touch, is shown by the latter's estimate that in a single year he travelled nine thousand five hundred miles in passing to and fro between Berlin and Frankfurt. Together the monarch and minister reached and enforced the conviction that any attempt at permanent union with Austria would be an effort to create an unequal match, and must therefore be futile. In 1859 Bismarck's work at Frankfurt was finished, and well finished. He had found Austria the dictator of the diet; she had been converted into a respectful and cautious leader. Prince William succeeded his brother in 1858 — first as regent, later as king. Like his brother, he knew Bismarck and felt that he had in him an invaluable minister, whose education must be finished by experience abroad; so Bismarck was recalled, to be appointed ambassador at St. Petersburg.

This mission first made the rising statesman a man of mark in European society. Not that he actually did much: there was little to do except to carry his head high and make himself respected. His *début* was interesting: invited to a bear-hunt with six others, he was permitted, as a matter of courtesy to a stranger, to kill the first bear driven in by the beaters; the gentleman hunter to whom the second brute had been assigned missed his mark, and the huge beast was promptly killed by the Prussian, to the relief of those whose lives might have been endangered by its fury; and by an unprecedented coincidence the same thing happened again! It can well be imagined that such a feat gave great renown in the gossip of the capital to the new ambassador. Not long after he was attacked by a

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serious illness and for a time lay at death's door; and his life is thought to have been saved by the wonderful self-control and skillful nursing of his devoted and capable wife. This double escape with life rendered him, of course, no less interesting than he had been, both in Berlin and St. Petersburg.

The best commentary on his short service at St. Petersburg is in the language which he used to a later Prussian ambassador, returning somewhat disappointed from the Russian capital: "Believe me, my dear general, that I have rendered greater services by what I have not said than by what I have said." It was probably by his own desire, and in furtherance of a plan formed in Frankfurt, that in the spring of 1862 he was transferred to Paris, where still further knowledge of European conditions was to be gleaned. There again, during the few months of his service, he shone rather by self-restraint than by activity. One day the Hessian *chargé d'affaires* desired his autograph for the same page in an album on which Guizot and Thiers had already written sentiments. Guizot had sententiously remarked: "All through my long career I have learned to forgive much and often, but to forget nothing." Thiers had followed with: "A little shortness of memory cannot detract from the sincerity of forgiveness." Bismarck added: "As for myself, experience has taught me to forget many things and to get myself forgiven for many more." We may be sure that all the time the Prussian envoy was working hard, though quietly, for Prussian strength and ascendency. Napoleon III considered him a man of no great force (*pas un homme sérieux*), but William I found no reason to change the opinion already formed — that he was a bold, single-minded, adroit manager of men.

The years of Bismarck's service as envoy at Frankfurt, St. Petersburg and Paris were a period of apparent reaction throughout Germany. The Prussian constitution was revised and retouched until the popular element was almost eliminated. After Olmütz federal troops occupied Hesse-Cassel, and the tyranny of George V in his Kingdom of Hanover was upheld. In both Prussia and Austria the skillful manipulation of elec-

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tions secured conservative diets, subservient to absolutism and ecclesiasticism, and the Berlin government engaged in a petty, stupid and disastrous quarrel with Switzerland about the Hohenzollern rights in Neuchâtel. The Italian war of 1859 displayed the hatred of France by Prussia, in that her troops were mobilized as a menace to Napoleon III on the upper Rhine. But this was the climax of reactionary and pro-Austrian policy. William of Prussia had installed a moderate ministry when he assumed the regency. Austria's disasters in the Italian war were largely due to the national apathy, and a new ministry at Vienna entered on the task of conciliating the people. Above all, the spectacle of a united Italy roused the Germans to a passion for a united Germany.

On January 2, 1861, the afflicted king of Prussia died and was succeeded by his able and amiable brother, as monarch in his own right. It was but a question of months when, free from the thrall of court intrigue and the influence of backstairs cabinets, he would call Bismarck to be his prime minister. The latter's correspondence during these years has revealed the growth of his ideas and the maturing of his policy. The details of this correspondence are wonderful: not an influential personage, man or woman, not a national characteristic of Baden, Württemberg, Luxemburg or any other state, great and small, escapes his caustic pen. Disposed at first to rely on Austria for support, he feared a war with France, whose imperialistic ambitions had presumably been renewed in the Second Empire. Whether Napoleon III attacked Austria or Russia, the greatest sufferer would be Prussia. An alliance with Austria would mean the relegation of Prussia to her old inferiority; an alliance with France was impossible. His whole effort while at Frankfurt was therefore to establish and keep an equilibrium, diminishing to the utmost Prussian distrust of France. His goal became the withdrawal of Austria from all influence in Germany; and to that end he inaugurated the policy of securing absolute neutrality from Russia and France alike, of preventing an alliance between them and, in the last resort, of making common cause with both, if necessary.

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The result of the Crimean War was to create jealousy as to supremacy in the Mediterranean between England and France, to draw France and Russia closer, and therefore to make it probable that France, with the aid of Sardinia, would attack Austria in Italy. By means of the customs-union the internal peace of Prussia was secured; and when in 1857 Bismarck visited Paris to discuss the Neuchâtel affair, Napoleon III, disclaiming all desire for the Rhine frontier, actually suggested a Franco-Prussian agreement. The envoy listened attentively to the conditions proposed: to wit, that the Mediterranean should become a French lake or *à peu près*, and that France should secure a slight rectification of her frontiers here and there, while Prussia should take Hanover, Oldenburg and at least a portion of Holstein. Bismarck returned with an assurance that Napoleon III would bring the necessary pressure to bear on Denmark — which was done — and that — as did not come to pass — he would likewise be present at the Prussian army manœuvres. But the ambassador did not propose the alliance to his government. Ostensibly he was recalled from Frankfurt because of his French sympathies! From St. Petersburg he solemnly warned against intervening in Italy on Austria's behalf; for Prussia would thereby strengthen her rival, and as against Austria she still suffered from an infirmity to be cured only "by fire and sword." His words prevailed, and the program for future action in regard to Prussia's rôle after William's coronation secured for him his removal to Paris, where he had the chance actually to observe what he had long since divined — the operation of popular representation as a safeguard against the encroachments of radical democracy.

Throughout his career as foreign ambassador Bismarck had been a popular man, both at home and abroad. He was not eminent in the first degree, but he was well known as a useful public servant, and he had considerable reputation as an agreeable and clever companion: he was cordial, frank, good-natured and brilliant in repartee. Easily accessible, he made himself thoroughly familiar with every phase of Paris life under the Second Empire, and acquired a facility in the use of French

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which gave him most important advantages in 1870. Of Napoleon III he did not form a very favorable idea: he thought him a worthy man, but weak and easily led — above all, incapable of forgetting any service that had been rendered to him; and to Bismarck's mind this was an unpardonable feebleness in a public man. But Bismarck's popularity melted like ice before steam when he returned to Berlin and took his place as Prussian minister. The Conservatives were of course delighted, but the Liberals foreboded the worst and were dismayed. He was known to be an absolutist; and, being irremovable under the constitution, they could not, though in the majority, overthrow his power as long as King William stood by him.

For the situation that resulted in Bismarck's appointment the Liberals had only themselves to blame. The king honestly supported the liberal constitution of 1850; but the Liberal majority was doctrinaire, reckless and divided, being united on only one point — to wit, that they would not vote the supplies necessary to carry out the military policy essential to Prussia's strength. The lower house was utterly recalcitrant; and after two Liberal prime ministers in succession had failed to move them, the king resolved to abdicate. At this crisis Roon telegraphed to Paris, "*Periculum in mora*," and Bismarck returned to show whether or not he had the abilities which the executive power believed that he had. He told the king that it was not a question of Liberal or Conservative, but of monarchical rule or parliamentary government, and that the latter must be avoided even at the cost of a period of dictatorship. By such reasoning he dissuaded the king from his rash determination and began his work.

It was at this time that Bayard Taylor saw him. Bismarck in his forty-eighth year was an impressive figure, even in his stature, which was not then diminished by round shoulders or stoop, and was rather heightened, though without undue emphasis, by a somewhat exaggerated military bearing. His features were massive and in repose were as fine as if cut from granite, lighting but slowly when he spoke. A tremendous will was expressed in his large, clear, gray eyes, as well as in the out-

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lines of his jaw. The new minister had need of all the firmness he could muster to carry out the deep-laid scheme he had formed at Frankfurt, for the consummation of which his training at St. Petersburg and at Paris had given him the necessary knowledge. From being merely a man of eminence he was soon regarded in his native land as a notorious character: he was, in the words of our countryman, "known, distrusted and — hated." The latter is Bismarck's own word. He was not even a favorite with his sovereign, who felt considerable distrust of his frank, headstrong, brusque, but indispensable servant. So far from being dismayed by the four years of gloomy isolation which he was compelled to spend at Berlin while preparing his first stroke, Bismarck boasted of his plight, writing that he was "the most vigorously and best hated personage in the country." It throws a bright light on the intrigues of court life, and on the methods of police government, to find him warning his wife:

> Do not forget when writing to me that your letters are not read by me alone, but by all kinds of post-office spies, and do not inveigh so hotly against individuals, for every word will immediately be carried back to the persons in question and put down to my account.

Bismarck's internal policy was one of stubborn and undismayed resistance to the Prussian Parliament. Year by year he struggled with the Liberal deputies for a budget which would enable him to strengthen the army, and year by year he was beaten in the game of parliamentary procedure.

The speakers of the majority pleaded for the liberty of their institutions; the minister pleaded for the integrity of the Prussian crown; and all the while the government went right on, spending borrowed money to perfect the Prussian army. There is something to be said for its course: the times were unripe for full parliamentary government; elections were more nominal than real; the quality of legislation was low; not more than a third of those who possessed the suffrage exercised the right, and it was thought that of the non-voters as high as seventy-five per cent were Conservatives. For Bismarck's pur-

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poses, there was everything to gain and nothing to lose in the course which he adopted. As early as 1849 he had enunciated the policy to be pursued by the Prussian crown with reference to the Prussian Parliament. When, with regard to the danger of suddenly introducing free institutions among those who did not know how to use them, it was urged that no one could learn to swim without going into the water, "True," was Bismarck's retort, "but why plunge at once into the deepest part?" During four entire years, after 1861, the government was compelled to get on as best it could without a budget; and it was not until after the Danish and Austrian wars that, in 1866, its policy secured parliamentary endorsement in the shape of a vote, 250 to 75, granting indemnity for all that had been spent, up to that date, over and above the budget of 1861. By that time Bismarck's popularity in Berlin was fully established. One of the minister's consolations during this dark epoch was his friendly correspondence with Motley; for their acquaintance, begun long before at the university, had ripened into a friendship which remained firm to the end.

Bismarck's external policy during these "years of conflict" was quite as clever and bold as that which he used in the management of internal affairs. Indeed, the two were parts of a single whole. The Prussian Liberals believed that the increase of the military power was aimed at their own liberties, and so did all Europe. The same fearlessness with which Bismarck deceived his own countrymen was used by him in deceiving both France and Austria, and with them the other powers. It was daring and brilliant — daring, because the slightest misstep would have involved him in ruin; brilliant, because he had nothing to do except to keep silence and leave his rival ministers to discover at their leisure how entirely a new type of diplomacy had superseded the old, and that to their complete disaster. When in 1859, after Solferino, Napoleon III received Venice from Austria, he urged on the Czar Alexander that, as there could no longer be any question of the restoration of Poland, as many concessions as possible should be granted to that unfortunate country. This was in accordance

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with the policy of the Napoleonic house, and was intended to conciliate the liberal imperialists of France, who felt that such reparation as was possible should be made to a land which had risked and lost everything in its support of the first Napoleon. Russia earnestly desired the French alliance for two reasons: first, that she might render null the agreement which prevented her war vessels from cruising in the Black Sea; and, second, that she might further her plans for the dismemberment of Turkey, by an understanding with Napoleon III concerning a compensation to him for her aggrandizement — a counterbalance in the shape of an increase of territory for France on one or the other bank of the Rhine. The Polish Conservatives desired autonomy for Poland under Russian protection, in order to win the Slavonic populations of Austria. To check these anti-German influences, Austria desired to strengthen herself where she had once been influential — that is, among the small German states. For this purpose she chose the Schleswig-Holstein question, which, owing to the measures taken by the king of Denmark, Christian IX, to spread the Danish tongue and Danish feeling among the German populations of those lands, was now entering on an acute stage. Austria proposed that the matter should be presented for settlement to the Federal Diet, in which she was strong, calculating that with success would come a great addition to her prestige.

Meantime, the Polish Radicals — or "Reds," as they were called — had again broken out in rebellion. Napoleon III was of course displeased; but England, suspecting the intrigue of France and Russia, was in sympathy with the rebels. It was Bismarck's belief, whether based on information or not, that Napoleon was to get Belgium and the left bank of the Rhine in return for Russia's gains in the East, whatever they might be. He was satisfied that Napoleon, Gortschakoff and Wielopolski, the governor of Poland, had an understanding to that effect, and that in coöperation they would attack Vienna and Constantinople simultaneously. With characteristic promptness he sent Alvensleben to St. Petersburg for explanations, determined at any cost to use the insurrection for the destruction

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of the Franco-Russian alliance. The pretext of Alvensleben's mission was a consultation as to the best means of suppressing the insurrection, on the ground that its success would deprive Prussia of her Polish provinces. The Czar gave heed to Bismarck's representations and, discarding Gortschakoff's councils altogether, joined Bismarck in a defiance of the most enlightened public opinion of Europe.

A convention was at once signed, which bound Russia and Prussia to joint efforts in suppressing the insurrectionary movement in their respective Polish provinces. England was displeased, for Russia's success might reopen the Eastern Question in a form complicated by Prussian influence; France was displeased, for Prussia's success would mean an increase of prestige likely to thwart her own ambitions for territorial aggrandizement on the left bank of the Rhine and in Belgium. Moreover, the Clericals and Radicals of France were alike enthusiastic about Polish liberty in the abstract. Accordingly, Napoleon tried to unite Austria and England in a protest. In this effort he had the powerful assistance of Gortschakoff, but Austria followed the lead of Lord John Russell and refused. This was a momentary check of Pan-Slavism and redounded vastly to Bismarck's credit. Throughout his life Bismarck had a definite and unvarying policy with regard to Russia: it was to remove her influence from Germany, but to refrain from harming her in any way, and thus to keep her good will. In his opinion, war with Russia would be worse than useless: the Baltic provinces could have no value without Poland; and to take Poland would add nine million Roman Catholics to the Prussian population, and thus increase the proportion in all Germany to nearly fifty per cent. This was the fixed idea which made him so firm an advocate of the Russian alliance.

When Frederick VII of Denmark died, he was succeeded by Christian IX of the Glücksburg line, inheriting by female descent. The duchies were under Salic law, and in them the succession lay in the male or Augustenburg line. Nevertheless, the new king of Denmark approved the plan of his Diet to incorporate Schleswig into Denmark and to make Holstein trib-

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utary to her. This was generally considered a breach even of the London protocol of 1852, signed by Prussia and Austria but not accepted by either the duchies or the Federation. It guaranteed an independent administration to Schleswig and left Holstein in substantive relations with the German Federation. The populations of both lands were largely German, and the Germans protested against the Danish policy. Austria had made her last attempt to combine Germany under the dual leadership of herself and Prussia in the so-called Congress of Princes held at Frankfurt in 1863. The effort failed because Bismarck prevailed on his sovereign not to attend, and the minor states would not consent to act without Prussia.

But the first stage in the process, which made Austria Prussia's ally in 1870, was reached in connection with the question of the duchies. The Federation determined on joint action and sent an army of Saxons and Hanoverians to occupy Holstein. This was done without bloodshed; but the Council of the Federal Diet would not yield to the demand of Austria and Prussia for a similar occupation of Schleswig. Thereupon Bismarck determined to make a preliminary trial of the now well-organized Prussian army. Lord Palmerston was furious when informed of the fact, but he could not well defend Denmark in a flagrant breach of public law. The minor German states and the Prussian Liberals were equally outraged, and Bismarck was denounced far and wide in unmeasured terms. The Prussian Parliament refused either a budget or a loan. King William and his minister both pleaded that the undivided German states of Schleswig and Holstein must never be sundered, and Bismarck declared that he would find means to prevent it, wherever they could be found. War was declared on the basis of the budget of 1861 and the result is well known. The Peace of Vienna secured the duchies to Prussia and Austria jointly. And when Austria proposed that both should go to Prussia, in return for Silesia, — a proposition hateful to King William, — a compromise was reached in the Convention of Gastein, which gave the administration of Schleswig to Prussia and that of Holstein to Austria.

The easy success of the Danish war was the crown of Bis-

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marck's first great diplomatic enterprise. Although his plan seems simple enough now, it was a masterpiece: England silenced by an appeal to treaty obligations, Russia won by his Polish policy, France appeased by his coquettish attitude and the favorable commercial treaty with her which was among the first successes of his ministry, Austria flattered by a joint enterprise in the consolidation of Germany. As to Prussia, the Liberals had to rub their eyes before they could realize what had happened: the army had acquitted itself like veterans, their country was at length the equal of its hated rival in the councils of Germany — and with such a pilot at the helm what port might not be reached? Bismarck was a despot, but he had at least done his country no harm. Still, however, the Liberals refused him their confidence. This had to be won, and the minister was not long about it. The opportunity was soon afforded by Austria, which on June 1, 1866, proposed the final settlement of the long-vexed Schleswig-Holstein question by the Federal Diet. Bismarck at once declared the Gastein Convention to be abrogated and, asserting that the joint occupation of both powers was accordingly restored, sent Prussian troops into Holstein. Austria carried the Diet for the mobilization of its armies against Prussia, and Bismarck proposed the peaceful exclusion of Austria from Germany. Prussia was now strong enough to accept the leadership which had been offered in 1849. The proposition was repelled and the Prussian Liberals still refused him their confidence. Nothing remained but to exclude Austria from Germany by force or to begin the process of retreat, the last thing of which the minister dreamed.

The same condition of diplomatic equilibrium continued in Europe, and this new trouble was, moreover, a German family quarrel. But to make assurance doubly sure, Bismarck knitted another mesh into his web. Italy was easily won to attack Austria on the south, by the prospect of regaining her unredeemed provinces from the rule of the invader. Accordingly, when war was declared in 1866, Prussia, though confronted not merely by the Austrian army but also by the forces of Hanover and all South Germany — including Bavaria, Saxony,

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Württemberg, Baden and Hesse — had a powerful and enthusiastic ally on the rear of Austria, the most redoubtable foe. With almost incredible swiftness the Prussian army swooped down on its enemy, the inherent weakness of which was well known at Berlin in the office of the general staff. Austria received telling blows and perforce surrendered her Italian provinces into the hands of Napoleon III. Her humiliation was completed, after a short campaign of six weeks, by the well-known battle of Sadowa. Where were the armies of South Germany? Marching separately, according to the first great rule of strategy, but not following the second great rule of striking together. Indeed, they were guiltless of striking at all, so far as effectiveness went. The mediation of France was offered on the morrow of Sadowa and was not refused by Prussia; but the Prussian army did not halt in its pursuit until the walls of Vienna were within sight, and then first Bismarck made ready to treat. The preliminaries were to be concluded at the castle of Nikolsburg.

Bismarck, the despot of Prussia, was now Bismarck, the liberator of Germany; but he had difficulty in securing his own way in these important negotiations, and that, not because of his foes, but because of the dangerous recklessness and short-sightedness of the military party, which threatened to do Prussia as much harm in 1866 as its predecessor had done in 1805. Roon and Moltke, supported by the king, wished to continue the war without awaiting the result of negotiations; they had also in mind the annexation of Austrian territory. Bismarck was opposed to both ideas. The military party believed that by marching westward they could conquer the South Germans and at once engage France advantageously, since she was at that moment embarrassed with her ill-starred expedition to Mexico. After Sadowa, Napoleon III had first presented an ultimatum, demanding the left bank of the Rhine with Mentz, and had then withdrawn it, in view of the very situation which William and his military advisers wished to turn to Prussia's advantage. Doubtless their plan would have succeeded; but the union of Germany accomplished thereby

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would have had a purely despotic character, and even less organic quality than that which was eventually infused into it.

Influenced by the memories and traditions of the Napoleonic wars, all Prussia had regarded the rise of the Second Empire in France as a menace to its national development. Napoleon's conduct intensified this feeling. After Sadowa he warned both the Austrian emperor and the Bavarian prime minister, and himself began preparations for the war which he, like Bismarck, foresaw was inevitable. The latter was determined that, when the war did come, there should be a Germany as united as possible, and that it should have the vital quality of being a patriotic uprising of Germans — without distinction of abode or religion — to wipe out the memories of their humiliation at the hands of the first Napoleon. To this end he took his stand at Nikolsburg on the following fundamental points: Prussia was not prepared for war with France, and there was cholera in her armies; the South German troops were not yet defeated, and with foreign assistance they might be formidable; to continue the war it would have to be carried into Hungary, since Austria would not yield any territory without further fighting; the end would be the destruction of Austria and the triumph of Pan-Slavism. This last catastrophe would be fatal to all Prussia's aspirations, and on that position Bismarck planted himself.

We are reminded of the Homeric heroes by what followed. Bismarck had shown himself a man after his king's own heart on the battlefield of Sadowa: he was thirteen hours in the saddle; and since at nightfall all the houses of Horschitz were filled with wounded, he threw himself down for rest on the pavement, while the king slept on a shake-down in a chamber near by and in his uniform; but when the determined and plucky minister found that he could get no hearing for a plea of magnanimity at Nikolsburg, his nerves gave out, he walked into his bedchamber and was "overcome by a violent paroxysm of tears." Next day, with a memorandum of reasons for peace in his pocket, he returned to the attack. The cholera had rendered half the Prussian army unfit for service; and with this as an additional

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reason for persistence, he won the heart and convinced the reason of Frederick, the crown prince, through whose influence he finally prevailed. The king consented, in his own homely phrase, "to bite the sour apple." The terms offered to Austria were that she should withdraw from the German Diet, but she was to lose no territory. Both Schleswig and Holstein were to go to Prussia; the Italian provinces ceded to Napoleon were to be given to Italy. These comparatively easy terms were promptly accepted, and soon after were embodied in the peace of Prague. By this paper Hanover, Hesse-Cassel, the duchy of Nassau and that portion of Hesse-Darmstadt north of the Main were incorporated into Prussia. As a further concession to Austria, Saxony was left independent; as also were Bavaria, Württemberg, Baden and Hesse. By all these powers a defensive alliance was guaranteed to Prussia. The North German Confederation was likewise inaugurated, and on almost precisely the liberal democratic lines sketched by Bismarck in his St. Petersburg papers.

When Bismarck returned to Berlin, he found himself the most popular man in Prussia. The old-fashioned Prussian liberalism, of whose representatives — the lank, grim, snuffy ideologists—Heine made such unmerciful sport, were transmuted as if by a wizard's wand into an enthusiastic party of National Liberals. They were at Bismarck's service: the budget was passed, indemnity was voted, and the trusted minister was made a count by the king amid universal acclamation. All eyes were fixed upon him as he began his work of legislation for the strong new Confederation, which was to replace the feeble and antiquated Federation whose Diet had sat at Frankfurt.

When young Blind in an access of crazy fanaticism attempted to assassinate Bismarck, the minister displayed such heroic calmness under the severe wounds which he received that already mythical tales were told about him. And when the first sketch of the new constitution was given out, it was found that the Prussian younker had been transformed into a German Liberal—almost into a Democrat! Wonder and delight knew no bounds among those who had been his most determined

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enemies. The concessions of the instrument, which is epochal in German history, were indeed amazing: there was no house of lords, not even a single executive; and legislation was entirely popularized. The executive was the King of Prussia, with a Federal Council whose chairman was chancellor. The members of the Council were appointed by the various states. The legislature was the Council and a Diet elected by manhood suffrage. To the union were intrusted military and naval affairs, commerce, railways, telegraphs and the post-office, criminal, civil and commercial law, with the organization of the judiciary. These measures seem to have been forced upon the lawgiver by the menacing attitude of France. In 1867 Bismarck felt himself strong enough to thwart Napoleon III in the Luxemburg affair, by revealing the alliance of the Confederation with the South German states; during the three following years he devoted himself to strengthening the Confederation in every possible way. His energy and prudence partly awed, partly won all the federated states to accept the Bismarckian and Prussian policy. His best work as a diplomat was shown in the skill by which he dallied with Napoleon's offer of an offensive and defensive alliance on the basis of giving Belgium to France, while at the same time he was steadily turning the customs-union, with Bavaria and the other German states, into a strong political unity. His sole contention in this last difficult task was that Bavaria should not be allowed to reap all the benefits without sharing the responsibilities. This was a course based on the advance of public opinion. Bismarck had ceased to be a Prussian and had become a German; like Lincoln, he could now both trust the soundness of public opinion and afford to wait for its evolution.

In all this Bismarck appears to the world beyond Germany as the enigma of enigmas. But the solution is not so difficult after all: the answer is identical with that to the riddle of Œdipus. He was a man; but a historic man, embodying in himself an epoch and a race, not a cosmopolitan. His forerunner and secular cause was Napoleon Bonaparte,

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who first sowed the seeds of modern French philosophy broadcast throughout western Germany, and then caused them to germinate in the feeling for nationality which ruined his own imperial designs and continued its evolution on the lines of German philosophy. For nearly a century the agitation ran its course; Bismarck formulated its achievements and realized its ideals. He did so because in his own person and character he embodied the strength of Germany. The reader will find his book ponderous and far from clear in the exposure of motives; but it is a perfect picture of the man. It is permeated with the German concept of discipline, which is not at all the unreasoning obedience to commands it is so generally considered to be. Such obedience he neither exacted nor gave: on the contrary, he struggled with might and main against his sovereign throughout all these years, and he reasoned and pleaded with his subordinates. But when the categorical imperative was settled, there was no paltering. He believed himself monarchical to the core, but by his own confession he was saturated with conceptions of concrete, defensible rights and of class privilege; he passionately supported monarchy only because in this institution he saw the guaranties of the others in a structural society with no fluidity, a political and social organism evolved by long historical processes, sanctified by religion, exhibiting the providential care exercised to create and support Prussia under the Hohenzollerns.

Even Bismarck's religion, indeed, is national. A sincere orthodox believer, he wrapped himself in mysticism. God is preëminently a force: in his dealings with men he is all action. The moral order of things foresees, provides, concludes. Just as royalty is justified only by its deeds, so it is with God in relation to man. As microcosms, both state and individual must within finite bounds foresee all things, arrange all things; and the resultant compulsion represents duty done. Just as the divine will comes from above, so the royal will ordains internal affairs and foreign relations, arranges peace, declares war. Chambers sit to discuss and modify, but in the end to approve: nothing originates with them. Likewise in the Church: inalterable

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essentials aside, organization, movement, impulse come from the king, who is the lord of his subjects in all spiritual as well as in secular relations — the lord of that organized force which maintains peace and orders war, which upholds both the divine power and the spiritual nature of man in outward, visible institutions of which the Church is one. Christians are faithful as they observe its ordinances and exemplify faith by deeds.

These elements of faith and conduct are abundantly present in the successive steps which lead up to the Franco-Prussian war of 1870, and in the reforms which subsequently turned the North German Confederation into the German Empire. Tyros have seen in Bismarck's belief and behavior during both these periods evidences of arrested development in his nature, intellectual and spiritual, accompanied by a sort of religious hypertrophy which deified force. This is an utter perversion of truth. The great statesman illustrates to the end the interaction of what Kant called the pure and critical upon the practical reason, personal and national. This idea working in other conditions may be the topic of a later discussion; the object of this paper has been to exhibit its strength during the formative and greatest years of a life working under the conditions just outlined.

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GOVERNMENT LOANS TO FARMERS.

AMONG the planks in the Omaha platform of the Populist Party was a declaration in favor of government loans to the people at two per cent per annum.[1] The debit and credit relationship between government and citizen to which such a system would give rise is similar to that which grew out of our early policy in the sale of the public domain, and the history of that policy suggests the probable results if the end of the above declaration were realized. Accordingly, Part I of the following study will treat of the sale of the public lands on credit, while Part II will point out the bearing of this experiment upon government loans and will consider some other features of the subject.

I.

The second land act, approved May 10, 1800, required that

> one-fourth part of the purchase money shall be paid within forty days after the day of sale; [the remainder to be paid in three equal payments in two, three and four years, with interest at six per cent a year]. . . . If any tract shall not be completely paid for within one year after the date of the last payment, . . . [it shall be sold] for a price not less than the whole arrears due thereon, with the expenses of sale; the surplus, if any, shall be returned to the original purchaser, or to his legal representative; but if the sum due, with interest, be not bidden and paid, then the land shall revert to the United States, [and all moneys paid therefor shall be forfeited].[2]

Very few questioned the wisdom of the policy embodied in this act. In his report upon the public lands, Hamilton favored it for tracts more than ten miles square, provided security

[1] McVey, "The Populist Movement," Economic Studies, American Economic Association, I, 142, 163; see also Drew, "The Present Farmer's Movement," POLITICAL SCIENCE QUARTERLY, VI, 291–297 (June, 1891).

[2] Annals of Congress, 1799–1801, Appendix, 1517, 1518.

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other than the land itself were given.[1] Moreover, it had the prestige of precedent in its favor. It had been employed by the proprietary government of Pennsylvania,[2] and more recently by New York[3] and Kentucky.[4] The sales to the Ohio Company[5] and to John Cleves Symmes[6] both involved its application. A credit of one year on one-half of the purchase money was also given by the first land act of Congress in 1796.[7] In the debates preceding the passage of this act, the credit system received the most meagre consideration. It is in keeping with the general purpose of the act, however, to suppose that the object was to swell the receipts of the treasury. Credit was a lure alike to the speculator and to the settler. It enabled the former to assume risks altogether out of proportion to his capital; and to the latter it held out the hope of paying for a home in large part out of the returns of his labor. But that credit was less suited to a government selling land to citizens than to the business transactions of everyday life appears to have occurred to only a few.[8]

The actual working of the system soon revealed its defects, as disclosed by the following table[9]:

Year.	Acres Sold.	Due from Individuals.	Arrearage.
1803	199,080	$1,092,390.17	$ 40,218.35
1804	373,611	1,434,212.50	176,778.02
1805	619,266	2,094,305.85	384,799.11
1806	473,211	2,245,557.58	243,933.18
1807	358,372	2,265,219.92	315,312.12
1808	213,472	2,180,425.86	586,817.05
1809	231,044	2,186,186.71	886,841.92
1810	235,879	2,036,837.37	702,557.91
1811	288,930	1,970,912.91	656,603.64

[1] American State Papers, Public Lands, I, 8, 9.
[2] Annals of Congress, 1789–91, 628.
[3] Hildreth, History of the United States, IV, 581.
[4] Annals of Congress, 1796–97, 2209; *Ibid.*, 1820, 1893.
[5] Donaldson, The Public Domain, p. 197.
[6] American State Papers, Public Lands, I, 75, 128.
[7] Annals of Congress, 1796–97, Appendix, 2907, 2908.
[8] *Ibid.*, 1789–91, 1069, 1070; *Ibid.*, 1796–97, 2209, 2210.
[9] Compiled from American State Papers, Finance, II, and Public Lands, I, 909. The above table covers sales south as well as north of the Ohio River. There

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These figures indicate the rapid evolution of a debtor class upon the public domain. From 1803 to 1805 the debt almost doubled. More noteworthy is the remarkable growth of arrearages. In 1809 these were twenty-two times greater than in 1803. The movement is subject to fluctuations, but the general trend is unmistakable. The amount due and the arrearage are doubtless connected with the yearly acreage sold. Thus, the great increase in sales ending with 1807 resulted in an enormous growth in both of these items; likewise the falling off in sales following that year resulted in their decline. Much the greater part of the debt overdue rested upon those who were hopelessly involved. For example, nearly three-fourths of the arrearage in Ohio in 1805 was due from those who had paid but one instalment.[1] The number of tracts in the same state annually offered for sale on account of failure in payment was estimated in 1812 at 1020.[2] The forfeitures accruing to the United States, July 1, 1813, to September 30, 1814, amounted to $23,589.33. In the greater number of cases this loss fell upon purchasers of a quarter rather than of a half or a whole section.[3]

The credit system was early recognized as ill-advised. In 1797 a motion extending the time of credit from one to four years was defeated in the House committee of the whole.[4] The opposition argued that "nothing more would be received of the purchasers than the first deposit if so long a credit were given," and that "instead of money they should have petitions sent in for a prolonging of the time of payment."

were none of the former till 1803. In that year land offices were opened in Mississippi territory, but no statement of sales appears to have been made till 1807. The figures for that year include all sales since the opening of the land offices. The principal facts are as follows:

YEAR.	ACRES SOLD.	DUE FROM INDIVIDUALS.	ARREARAGE.
1807	74,192	$111,913.50	
1808	17,892	138,752.85	
1809	87,635	273,482.85	$ 36,166.88
1810	77,035	390,195.33	80,413.13
1811	81,913	474,541.23	148,190.72

[1] State Papers, Public Lands, I, 287; II, 730, 731.
[2] *Ibid.*, II, 441. [3] *Ibid.*, II, 891. [4] Annals of Congress, 1796–97, 2209.

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Though a supporter of this motion, Gallatin, in 1804, 1806 and 1808, recommended the abolition of the credit system. The House committee on public lands, in 1806, 1809 and 1812, made a similar recommendation, and the Senate committee, in 1812, expressed the same opinion.[1] As the dealings of debtor and creditor with each other were always subject to more or less friction, it was considered eminently unwise to put such a strain upon the relationship of government and citizen. A government that becomes the debtor of large numbers of its citizens strengthens itself by the ties of self-interest; but when the case is reversed, the fealty of the average citizen is weakened. This fact was appreciated both within and without Congress. In 1806 Gallatin said: "The accumulation of a debt . . . which is every day increasing in amount and extending to a greater number of persons may ultimately create . . . a powerful interest hostile to the federal government." But more than two thousand heads of families in Ohio were public land debtors in 1805. The number in all the states and territories in 1812 was seven to ten thousand.[2] The act of 1804 endeavored to check the rapidly growing evil of delinquencies, by exempting from interest all payments made when due, while otherwise interest was to be charged from the date of purchase.[3] How inadequate this remedy proved is shown by the table given above.

In 1809 Congress began to pass various acts of relief, extending the times of payment.[4] With few exceptions, these applied only to persons holding 640 acres or less, in the hope of favoring the settler as opposed to the speculator. Such measures, however, were mere palliatives. Leaving the credit system intact, they did not remove the cause of the disease, but rather aggravated the difficulty by encouraging the opinion that the government was a lenient creditor. That they afforded relief to some is not denied; but in so doing they intensified the trouble they were devised to alleviate. By holding out to venturesome

[1] State Papers, Public Lands, I, 183, 287, 910; II, 730–31, 439–41.
[2] *Ibid.*, I, 287; II, 440. [3] Annals of Congress, 1803–1804, p. 1290.
[4] Donaldson, The Public Domain, p. 205; Annals of Congress, 1820, cols. 1869, 1891.

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spirits the hope of gain, coupled with a guaranty against loss, they put a premium upon the spread of the credit system. As a consequence, it extended more and more over Ohio, Indiana, Illinois, Missouri, Alabama, Mississippi, Louisiana and Michigan.[1]

Nor was this experience of the national government exceptional. In Tennessee the land debt south of the French Broad and Holston was a source of annoyance to the state for twenty years,[2] and by 1833 the expense of legislating upon petitions for relief exceeded the amount still due.[3] The experience of Kentucky in exploiting her public domain is even more to the point. In this state relief was granted again and again, until it came to be expected almost as a matter of course. In the Green river country any one opposed to such a measure stood but little chance of election to the legislature. The influence of the debt also extended to other legislation. The votes necessary to enact measures that otherwise would have failed were procured in exchange for votes granting indulgence to land debtors. Legislation thus tended to become a matter of bargain and sale rather than of public policy.[4]

Whenever government ceases to act as the arbiter of differences, and permits itself to become a party to them, it inevitably compromises the dignity of its position. In the sale of the public lands the limited means of many to whom credit was extended[5] made this especially true. The House committee on the subject, in 1806, said :

> Although no sales have yet taken place, there is no doubt but some must be made, or the lands revert to the United States, if the law is rigidly executed. . . . It appears doubtful whether . . . an attempt to sell would be attended with success. . . . Few men are willing to incur the resentment of their neighbors, by bidding for their property at a public vendue, even when other neighbors are the creditors ; and, when the public is concerned, scarcely a man will be found

[1] Donaldson, *op. cit.*, p. 205.
[2] Senate Journal, Tennessee, 1829, p. 103.
[3] House Journal, Tennessee, 1833–34, p. 11.
[4] Annals of Congress, 1819–20, 447 ; 1820, 1875.
[5] Flint, Recollections of the Last Ten Years (1826), pp. 40, 41.

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hardy enough to do it. The lands will, therefore, in many instances, revert to the government, encumbered by the occupancy of a tenant who ought to be evicted before another sale should be made. It might be added that few strangers would run the risk of bidding for property at a vendue, when the united interest of the whole neighborhood was opposed to the sale.[1]

In 1812 the Senate committee observed:

There can scarcely be imagined a situation better calculated to rouse the feelings or mislead the mind of an individual whose hopes have been blasted in a purchase of land. He has made his purchase, and with difficulty paid his first instalment. . . . The credit allowed by law (five years) expires; his land is advertised for sale; he is threatened with the loss of all he has paid, whether one, two or three instalments. But this is not all; his labor for five years which has put his land in a state of cultivation, and placed around him the comforts of life where a wilderness existed before, is also to be lost, and his family turned out of a home to seek some new situation.[2]

The year 1814 witnessed the beginning of a great increase in the sales of the public lands. In that year 864,536 acres were sold, or 245,370 more than in any year since 1796. During the succeeding five years the sales assumed vast proportions, in 1819 reaching 5,475,648 acres. These figures were not surpassed till 1835. Still more noteworthy was the increase in the purchase money offered. During the thirteen years ending with 1813 this averaged $735,292. In 1814 it leaped to $1,784,560, an increase of forty-four per cent over any year preceding; within the next four years it twice doubled, and in 1819 reached $17,681,794. Moreover, in 1818 and 1819 there was a marked increase in the average price offered per acre. In no year prior to this had it reached $2.40, but during these years it rose to $3.16. More than two-thirds of all the public land disposed of up to June 30, 1820, was sold during the six years ending with 1819; and more than three-fourths of all purchase money offered was for this land. The most remarkable increase took place in Alabama and Mississippi. In these states the sales, 1816–19, averaged 1,000,000 acres, fifteen

[1] State Papers, Public Lands, I, 286, 287. [2] *Ibid.*, II, 440.

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times the average from 1807 to 1816. Of $17,656,549 purchase money, ninety-seven per cent was for sales during the four years prior to 1820. The average price per acre for 1818 and 1819 was $4.51.[1]

The land office at Huntsville, Ala., was the centre of most reckless land speculation. The lands sold at that office, January 1, to September 30, 1818, averaged $7.78, and for the year ending September 30, 1819, $6.16 per acre. Sales at ten to twenty dollars per acre were common; at twenty-five to thirty dollars, somewhat less common; and occasionally as high as seventy, seventy-eight and even one hundred and twenty dollars were bid.[2] In one instance a planter bought a quarter-section of cotton land at one hundred and twenty-seven dollars per acre. Speculation in town sites and lots was of the wildest kind: a company paid two hundred and fifty-one dollars an acre for a half-quarter section, and as much as $3500 were bid for one lot.[3] In a memorial to Congress in 1830, the general assembly of Alabama said:

> In the years 1818, 1819, and 1820, . . . competition for Alabama land was without a parallel. Sales were made at prices so far above the true value of the lands or above that value at which they had been estimated by reasonable men, that the people of the surrounding country, not engaged in the transactions of the day, attributed it to a frenzy among the bidders. Good lands were then bid off at prices varying from thirty to fifty dollars per acre, when lands of the like quality, equally productive and suitable for cultivation, could be purchased in the neighboring states at or about one-fourth part of what it was agreed to be paid for them in Alabama.[4]

St. Charles, Missouri, witnessed a similar experience.

> A very large tract of land was cried for sale . . . and the only limits and bounds given were, that it was thirty miles north of St. Louis. . . .

[1] State Papers, Public Lands, VIII, 2, and III, 420; Report of Commissioner of General Land Office, 1841, p. 22.

[2] Niles's *Register*, 1817, XIII, 62; Annals of Congress, 1819–20, p. 446; *Ibid.*, 1818, XV, 116; State Papers, Finance, III, 287, 432; Public Lands, III, 555–8; IV, 805; V, 377, 383–5.

[3] McMaster, History of the People of the United States, IV, 396.

[4] State Papers, Public Lands, VI, 142, 143.

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But a purchaser soon appeared, who bid off the tract. . . . There were people who offered immense tracts of land the titles to which were contingent. . . . Often the same tract was offered for sale by two and even three claimants. The whole county of St. Charles, containing a number of thousands of inhabitants, was offered for sale by what was called the Clamorgan claim, and thirteen hundred dollars were paid [for it] on the spot.[1]

Some factors contributing to this mania for speculation were the high prices for produce, the profuse emissions of bank notes, the Yazoo landscrip, emigration to the West and the auction system. As for prices, cotton sold at from twenty to thirty cents per pound, and the prices of tobacco and breadstuffs were also high.[2]

Excessive issues of bank notes were promoted by the fact that, during and immediately after the War of 1812, the notes of banks receiving and reissuing treasury notes were accepted in payment of all public dues. Besides, payment for public lands was a constant drain upon the money of the West, and the temptation to fill the vacuum with over-issues was strong. The bills of many local banks made room for themselves by driving from general circulation the notes of specie-paying institutions.[3] The years 1815–19 were prolific in banks, many of them established on sums of money barely sufficient to buy plates and paper for printing notes. A petition to Congress by Alabama land debtors alluded to the recent establishment of seventy new banks.[4] In 1815 and 1817 no less than twelve banks of issue were established in Tennessee.[5] The legislature of Kentucky, at the session of 1817–18, chartered forty banks,[6] and in 1820, as a relief measure for their victims, established the Bank of the Commonwealth of Kentucky.[7] The Secretary of the Treasury, W. H. Crawford, in 1820 said:

Banks have been incorporated not because there was capital seeking investment; not because the places where they were established had

[1] Flint, Recollections, p. 199.
[2] Niles's *Register*, XVI, 386; State Papers, Public Lands, V, 377–8; VI, 10.
[3] State Papers, Finance, III, 263.
[4] State Papers, Public Lands, IV, 805.
[5] Phelan, History of Tennessee, p. 259.
[6] Sumner, Andrew Jackson, p. 120.
[7] *Ibid.*, p. 124.

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commerce and manufactures which required their fostering aid; but because men without active capital wanted the means of obtaining loans which their standing in the community would not command from banks and individuals having real capital and established credit.[1]

The note circulation of the country increased from forty-five million dollars, in 1812, to one hundred million dollars in 1817.[2] To get their notes into circulation, the banks competed in offering borrowers favorable terms. As a consequence, the use of credit was greatly extended and an upward impetus was given to prices. This in turn encouraged all to get into debt, and sharpened the public appetite for still further issues of bank notes. The scrip issued in settlement of the Yazoo claims likewise increased the rage for land speculation, as it was receivable in payment for Alabama and Mississippi lands.[3] Of $4,691,784.38 received for Alabama lands during the four and a half years preceding June 30, 1820, $2,100,892.44 — over forty-four per cent — were Yazoo landscrip.[4]

The volume of western emigration ebbed and flowed with prosperity in the older states. Indian uprisings on the frontier sometimes checked its flow; but it always regained its ground, and at times the highways were thronged with families moving to the West.[5] This movement denoted the growth of a nation seeking its economic ends along the line of least resistance, but occasionally it became so vast as to alarm the Atlantic states. In 1815 a legislative committee, in a report to the legislature of North Carolina, said:

Within twenty-five years past, more than two hundred thousand of our inhabitants have removed to the waters of the Ohio, Tennessee, and Mobile; and it is mortifying to witness the fact that thousands of our wealthy and respectable citizens are annually moving to the West . . . and that thousands of our poorer citizens follow them.[6]

[1] State Papers, Finance, III, 494.

[2] Sumner, History of American Currency, p. 80.

[3] State Papers, Public Lands, II, 877–887; IV, 805; V, 377; VI, 10, 12, 52; Hildreth, History of the United States, II, IV, V, VI; McMaster, History of the People of the United States, III, 131, 132.

[4] State Papers, Public Lands, V, 385.

[5] McMaster, *op. cit.*, IV, 381–388.

[6] Niles's *Register*, 1816, IX, Supplement, p. 165.

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In the following year a similar feeling was expressed in a report to the Virginia House of Delegates.[1] During 1810–20 the population of the states and territories organized out of the public domain increased from 671,804 to 1,653,147 — nearly two and one-half times.[2] As a consequence, in the decade ending with 1820, seven states entered the Union — a number greater than in any decennial period before or since.

Lastly, in offering the public lands at auction to the highest bidder, instead of at a fixed price, the government threw wide open the door to speculation. Competition among buyers forced the price to the upmost limit, and under the impulse of the moment men made the most extravagant offers. No doubt speculation would have seized upon the land in any event, but the auction system promoted it by permitting it to enter so early into the sales.

The seed of industrial ruin having been sown, the harvest was close at hand. During the four years ending with 1818, the debt due from individuals for public lands had increased from $3,042,613.89 to $16,794,795.14.[3] Failure to meet payments became so common that the receipts consisted chiefly of the first instalments on the annual sales.[4] In seven years ending September 30, 1818, the reversions aggregated 698,336 acres,[5] and in eighteen years the forfeitures amounted to $402,855.75.[6] Relief acts were passed almost yearly. Niles's *Register* said: "The statute book is disgraced by such acts; we would seriously advise the passage of an act directing that the debtors for lands should satisfy their debts sixty days after it is convenient."[7] In the early part of 1818 the Secretary of the Treasury, in self-defense, instructed collectors and receivers of public money to receive nothing in payment of duties, taxes and public lands but current specie and bills of banks main-

[1] Niles's *Register*, 1816, IX, Supplement, p. 150.

[2] The more noteworthy increases were: Ohio, 230,760 to 581,434; Indiana, 24,520 to 147,178; Illinois, 12,282 to 55,211; Missouri, 20,845 to 66,586; Mississippi and Alabama, 40,352 to 203,349; Louisiana, 76,556 to 153,407; Tennessee, 261,727 to 422,813. — *Ibid.*, 1822, XXI, 346.

[3] State Papers, Finance, III, 718.

[4] *Ibid.*, Public Lands, III, 419.

[5] *Ibid.*, p. 420.

[6] *Ibid.*, IV, 911.

[7] 1821, XXI, 277.

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taining specie payments.[1] This added to the embarrassment of the land debtors. Then came the panic of 1819. Early in that year

> the price of all articles produced in the western states fell so low as scarcely to defray the expense of transportation to the ports from whence they were usually exported to the foreign markets. This condition of things, which had not been anticipated when the debt for the public lands was contracted, produced the most serious distress at the moment, and excited alarming apprehensions for the future.[2]

The price of cotton fell more than fifty per cent.[3] Growers endeavored to recoup themselves by planting a larger acreage, but this only drove the price still lower, until it had fallen more than twenty cents per pound. In Alabama, where cotton was the sole dependence for cash, this meant widespread ruin.

> Many banks, too tedious to mention, [shut] up shop, leaving the little circle in which their notes were received, in a state of *wonderment* that a bank should break. . . . Begotten in iniquity, they died in corruption.[4]

The note circulation of $100,000,000 in 1817 dwindled to $45,000,000 in 1819. Professor Sumner says:

> Stagnation and distress lasted throughout 1820. Prices were at the lowest ebb and liquidation went slowly on. Wheat was at twenty cents per bushel in Kentucky. A man in Western Virginia stopped Niles's *Register* because one barrel of flour used to pay a year's subscription; now three barrels would not. At Pittsburg, flour was $1.00 per barrel; boards twenty cents per hundred; sheep, $1.00.[5]

All this was disastrous to land debtors. The reversions in 1819 amounted to 365,020 acres — two and four-tenths times as much as in any year preceding.[6] In addition to the instalments which fell due upon the sales of former years, the amount

[1] State Papers, Finance, III, 263; Public Lands, IV, 2.
[2] *Ibid.*, Finance, III, 718; see also Flint, Recollections, pp. 247–248.
[3] State Papers, Public Lands, IV, 805; VI, 12.
[4] Niles's *Register*, 1820, XVIII, 364; see also Flint, Recollections, p. 212.
[5] Sumner, History of American Currency, p. 82.
[6] State Papers, Public Lands, III, 420.

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paid into the treasury lacked $1,146,000 of the legal minimum payable on the land sold that year.[1] The balance due in 1820 amounted to $21,213,350.17 — more than one-fifth of the national debt. Of this vast sum fifty-two per cent rested upon Alabama lands, and this was $8,500,000 in excess of the debt for the same number of acres in other states.[2]

The time was now ripe for action, and the remedy applied by Congress was twofold: First, the repeal of the credit system; second, provision for the liquidation of the debt. The latter without the former would have aggravated the trouble. The stock arguments against repeal were, that without credit men of small means could not become purchasers and that the growth of the West would be retarded.[3] The law of 1820, in providing for cash sales, met this by so reducing the price per acre and the minimum tract subject to purchase that, while eighty dollars were required for the first instalment on a quarter section, one hundred dollars would pay in full for a half quarter. This measure passed the House by a vote of one hundred and thirty-three to twenty-three; and in the Senate only seven votes out of a total of thirty-eight were cast against it.[4] With the exception of one vote in the Senate and seven in the House, the opposition to cash sales came entirely from the West. It should not be inferred, however, that the trans-Alleghany states were a unit for the credit system: in fact, the total vote of their Congressmen showed a majority of one against it. Still, Western sentiment was such that the members who had voted for cash sales felt called upon to justify their course.[5]

To liquidate the debt was far more difficult than to abolish the credit system, and required nearly a dozen acts for its accomplishment. The first — that of 1821 — offered three plans of relief: First, relinquishment of a part of the purchase and application of the payments already made thereon to the

[1] State Papers, Public Lands, VIII, 2. [2] *Ibid.*, IV, 795, 805.
[3] Niles's *Register*, 1820, XVIII, 388; Annals of Congress, 1820, col. 1878–83.
[4] Annals of Congress, 1819–20, 489; *Ibid.*, 1820, col. 1901.
[5] *Ibid.*, 1820, cols. 1883, 1884.

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part retained. Second, payment of amount due, less a discount of thirty-seven and a half per cent. This placed the public land debtors on an equality with purchasers after the abolition of the credit system; for at the time of that reform the minimum price per acre was reduced from two dollars to one dollar and twenty-five cents. Third, the privilege of a further credit.[1] For the benefit of those who failed to take advantage of these provisions they were reënacted in 1822 and again in 1823. Even then purchasers of 126,933 acres, on which $103,806.58 had been paid, were unprovided for.[2]

Within seven months after the passage of the first act, or by September 30, 1821, the balance due fell to $11,957,430.39 — nearly fifty per cent. During the following year there was a further decline to $10,572,378.61. This marked encouraging progress. In the next eighteen months, however, the debt decreased but $351,104.61. Moreover, under the act of 1821, further credit had been taken on 3,588,558 acres, upon which there was a balance due of $6,740,358.18. Ninety-two per cent of this rested on land upon which but one-fourth of the purchase money had been paid.[3] Such a heavy indebtedness rendered reversions and forfeitures inevitable, and some further plan of liquidation was evidently necessary. This was the purpose of the acts of 1824 and 1826,[4] which enabled those who had taken an extension of credit to complete payment by either of the plans offered in 1821.[5] As a consequence, the debt declined successively to $7,955,831.03 on December 31, 1825, and $4,305,365.28 on September 30, 1827. Still, liquidation was incomplete. Besides, in the eight years ending with 1829, 687,384 acres, on which further credit had been given, reverted and $741,290.71 were forfeited.[6]

[1] Annals of Congress, 1820–21, Appendix, 1795, *seq.*

[2] State Papers, Public Lands, IV, 770. [3] *Ibid.*, III, 630, 645; IV, 795.

[4] Annals of Congress, 1824, Appendix, pp. 3219, 3231, 3232; 1825–26, Appendix, pp. xii, xiii.

[5] The acts of 1822 and 1823 had done this, but they did not require the relinquishment of enough to enable payment to be made in full.

[6] State Papers, Public Lands, IV, 911; V, 3, 802; VI, 18. Seventy-five per cent of the forfeitures were in Alabama, and eighty per cent of the remainder were distributed about equally in Ohio, Indiana and Illinois.

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It was apparent that further legislation was needed, and Congress passed the acts of 1830 and 1831. These applied to lands which had reverted after extension of credit. The principal feature of the former act provided for liquidation by abatement. By this method titles were completed upon payment of one dollar and twenty-five cents per acre in addition to that already paid — the total not to exceed three dollars and fifty cents per acre.[1] Purchasers of high-priced lands were the chief beneficiaries of this provision. The act of 1831, therefore, declared purchasers at less than fourteen dollars "entitled to patents . . . in all instances where one dollar and twenty-five cents, or a greater sum, per acre, shall have been paid," or where payment to that amount should in the future be made. The act of 1830 also authorized the issuance of certificates for the amount forfeited on reverted lands, which had sold at not to exceed two dollars and a half per acre, and made these certificates receivable in payment for public lands. The act of 1828 had made such a provision, but only for cases where further credit had not been taken.[2]

To sum up the results of all this legislation, seventy per cent of the debt was liquidated by relinquishment of land (4,602,573 acres); fifteen and two-tenths per cent by cash and discounts; six and four-tenths per cent by abatement; and the remainder either through cancellation of indebtedness on land, upon which certificates for forfeitures were issued, or by cash incidental to abatement, or by cash without discount on instalments, or by reversions.[3] The purchase price of land relinquished averaged higher than that of land retained. Under the laws of 1821, 1824 and 1826 the prices per acre, respectively, were as follows:

	Act of 1821.	Act of 1824.	Act of 1826.
Relinquished	$3.54	$2.90	$3.14
Retained	3.11	2.53	2.34

Under the credit system the government sold 19,399,158 acres for $47,689,563.09; but, owing to reversions and relin-

[1] Congressional Debates, 1829–30, Appendix, xiii.

[2] *Ibid.*, 1830–31, Appendix, 17; 1827–28, Appendix, xxiii. State Papers, Public Lands, V, 12. [3] *Ibid.*, VI, 11, 18, 456; IV, 795.

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quishments, it parted title with but 13,642,536 acres, for which $27,900,379.29 were received.[1] The system was at its worst in Alabama; for there of 3,999,245 acres sold, 1,842,535 were relinquished — nearly three times as great a percentage as in the other states.[2]

The evils of the credit system, as exhibited above, were doubtless aggravated by various circumstances peculiar to the time and place: the primitive condition of transportation, the slowness of social development, depredations by Indians, crop failure and ill-health, and fluctuations in commerce.

(1) The means of transport were about the same as in mediæval Europe. Except upon the large rivers and their principal tributaries, there was no outlet for the immense production of which the West and the South were capable. Along many streams the movement of commodities had to wait for the winter and spring freshets; and if the waters did not then rise high enough, there was no channel open to a market. Industry and commerce were thus dependent upon the caprice of nature, and great fluctuations in prices resulted from the alternation of over-supply and under-supply.[3] To men of small means, such as these early settlers, steadiness of income is of paramount importance; as the chance of occasional gain affords inadequate compensation for the risk of occasional loss.

The cotton fields of Alabama were so remote from the New Orleans market that it was impossible to receive returns till February.[4] To go by water from Pittsburg to New Orleans required two months and a half, and the voyage back was doubly tedious. Twenty and thirty days, respectively, were required from New York and Philadelphia to Columbus, Ohio, and shipments between these points cost two dollars and a half and five dollars per hundred.[5] The rate on tobacco, Sandusky to New York, was fourteen dollars per ton; on cotton, Nashville to Baltimore, eight dollars per bale.[6] According to

[1] Donaldson, The Public Domain, p. 203.
[2] State Papers, Public Lands, V, 385; VI, 456.
[3] Flint, Recollections, p. 247; Roosevelt, The Winning of the West, IV, 225.
[4] State Papers, Public Lands, VI, 11, 51.
[5] Niles's *Register*, 1826, XXXI, 38. [6] *Ibid.*, 1827, XXXII, 308, 323.

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McMaster, the average cost of transporting goods in 1812 was ten dollars per ton per hundred miles; while in 1896 the cost was eighty cents.[1] To carry a bushel of wheat or corn to market from many places was more expensive than to grow it. As a consequence, the margin of difference between prices at the points of production and consumption was very large. The price of corn, for example, July, 1816, ranged from twenty-five cents per bushel at Chillicothe and Portsmouth, Ohio, to one dollar and twenty-five cents at Lower Sandusky; that of flour, from four dollars and twenty-five cents to fifteen dollars per barrel; and that of bacon from ten to thirty-one cents per pound. A similar disparity existed between inland points and the seaboard. Often, indeed, the bulkiness of commodities made the cost of transportation practically prohibitive. Prices to producers were, therefore, at times ruinously low. In Indiana and Illinois wheat was hardly worth twenty-five cents per bushel in 1825; corn and oats, barely eight or ten. A few years later cotton was dull at six cents per pound.[2]

(2) Again, with the early pioneer, time was an important factor in the achievement of results, and a more rapid rate of progress would have sometimes turned the scale in his favor. There was a scarcity of capital. The resistance to travel made social development relatively slow, when a journey of fifty miles meant more than one of ten or twenty times that distance now. The rapid growth of towns and cities was, therefore, impossible. In 1800 the urban population of the country was but three and nine-tenths per cent of the total; by 1810 it had increased to only four and nine-tenths per cent; and during the next ten years it merely held its own. While the total population from 1800 to 1820 increased eighty-one and four-tenths per cent, the average density of settlement increased but nine and one-tenth per cent. Cincinnati and New Orleans were, in 1820, the only cities of more than eight thousand in the entire West.[3] In no respect has the settlement of the newer American common-

[1] Statistics of Railways in the United States, Interstate Commerce Commission, 1896, p. 83. [2] The foregoing figures are taken chiefly from Niles's *Register*.
[3] See Eleventh Census, Population, Part i.

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wealths differed more from that of the older than in the rapidity of urban development. "The wilds of Minnesota and Nebraska, by the agency of steam, are at once transformed into the settlements of a commercial and civilized people."[1] Measured by the cost of transportation, the lapse of ten years has within the last three decades moved whole states much nearer to market. The first thirty years of the century were, however, marked by comparatively few such changes.

(3) Many settlers were also subject to Indian depredations and occasionally were "entirely deprived of making crops."[2] During the War of 1812 the Indians were unusually predatory. The losses inflicted upon the citizens of Missouri alone were estimated by the war department at $33,504.60.[3] Flatboatmen returning from points on the Mississippi River were frequently killed. Scarcely less dangerous were "the so-called pirates, gangs of outlaws and desperadoes of all nations who infested the Mississippi from New Madrid down, and who preyed indiscriminately upon all who fell in their way."[4] French and British cruisers also frequented the waters of the Gulf and were always ready to pounce upon the ships of neutral powers.

(4) Nor were the people of the West exempt either from crop failure or ill-health. The corn crop was now and then destroyed by squirrels or caught by an early September frost. The wheat crop also was at times a failure. Fevers of various kinds — especially those peculiar to a new country — scourged the settlements again and again.[5] To men unencumbered by debt and possessed of accumulated resources, such reverses are unattended with serious results; but to the early settler, in debt for his land and without means to tide over adversity, they meant all the difference between hope and despair.

(5) Moreover, fluctuations in commerce repeatedly emphasized the shortcomings of the credit system. The effect of the Non-Importation and Embargo Acts is a case in point.

[1] Ramsey, History of Tennessee, p. 715.
[2] State Papers, Public Lands, II, 888; see also pp. 256, 730 and 1898.
[3] Senate Document, 55, March 6, 1826, 19th Congress, 1st Session.
[4] Phelan, History of Tennessee, pp. 177, 178.
[5] Roosevelt, *op. cit.*, IV, 240.

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At a moment's notice President Jefferson bade foreign commerce to cease. American produce, wheat, timber, cotton, tobacco, rice, dropped in value or became unsalable; every imported article rose in price; wages stopped; swarms of debtors became bankrupt.[1]

The exports of cotton fell from more than sixty-six million pounds in 1807 to barely twelve million pounds in 1808.[2] The ninety-day embargo of 1812 caught the crops of the interior unsold.[3] No experience could better emphasize the dependence of mankind for a livelihood on current production. "The failure of two successive crops to find a market threatened beggary to every rich planter from the Delaware to the Sabine."[4] The Napoleonic wars and decrees, the British orders in council and the War of 1812, with its blockade, were attended with similar results; and legal impediments to the recovery of debts — such as stay laws — here and there still further complicated the situation.[5]

The foregoing pages point to but one conclusion: that the sale of public lands on credit was a disastrous failure. It introduced antagonistic interests between government and citizen. The rapid growth of the debt, and especially of default in payments, soon attracted the attention of thoughtful observers. The system engulfed large numbers in hopeless debt and called for the repeated intervention of the government, to save men from the consequences of their own acts. Laws for this purpose were in force during nearly half the lifetime of the credit system; and even then reversions and forfeitures were not uncommon. Instead of subserving the interest of the treasury, it yielded to the government an ever-widening stream of uncollectible claims, and fully twelve years were required to clear away the wreckage which this left in its wake.

The credit system also promoted the wild speculation in Western lands which preceded the panic of 1819. When the

[1] Henry Adams, History of the United States, IV, 277, 278.
[2] M. B. Hammond, The Cotton Industry, Part i, 240.
[3] Randall, Life of Jefferson, III, 329.
[4] Henry Adams, *op. cit.*, IV, 282.
[5] State Papers, Public Lands, I, 909.

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only prerequisite to becoming a purchaser was the ability to make the first payment, many a settler expended his last cent in this operation, relying upon the produce of his industry to meet instalments as they should fall due. Further, credit fired the imaginations of men and led them to offer prices greatly in excess of cash values. The system may have hastened the settlement of the West, but subsequent history has shown that this end could have been attained by other means fully as effective and unattended with so many evils.

It is true that a better system of credit might have been devised. If half the purchase money, in place of one-fourth, had been required in cash, or if security other than the land had been exacted, the results would have been less disastrous. The scarcity of other forms of property, however, rendered the latter provision hardly feasible. It is certain, moreover, that the system would have worked better, if conditions had been other than they were; but it was lack of adaptability to unforeseen emergencies that constituted one of its greatest defects. One thing after another happened, in season and out of season, to emphasize its imperfections, until finally the panic of 1819 completely broke it down. In recommending its repeal in 1819, the Senate committee on public lands said:

> It can not be correct policy to persist in the continuation of a system so much affected by circumstances as that under consideration, which requires the frequent aid of mitigating expedients to preserve its existence, and to prevent its oppressive effects on a considerable portion of the community. . . . Judging from the experience of the past, without any assurance of a more favorable state of things in the future, it may be concluded that the system of credit is not well adapted to the circumstances of the country, and will be injurious so long as commerce is liable to fluctuation.[1]

II.

As to government loans to the people at the present time, the moral of our study is highly unfavorable. That social

[1] State Papers, Public Lands, III, 413.

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experimentation is frequently inconclusive, is doubtless true.[1] The sale of public land on credit was, however, such a hopeless failure that it is almost impossible to break its moral effect. More efficient transportation has, no doubt, removed one cause of fluctuations in prices and has done away with much of the uncertainty in finding a market. Moreover, the farmer of to-day has ampler means, and is better prepared to meet adversity than was the pioneer. Nevertheless, many of the difficulties with which the latter contended yet remain. Inelasticity of demand and inability to adjust supply to the wants of consumers still render changes in prices sudden and extreme. While the cost of transport has been greatly reduced, the result has been a levelling down of prices to the consumer rather than a raising of them to the producer. Prices in gold for farm products in Iowa for the ten years ending with 1892 were about the same as for the ten years ending with 1870, but prices in New York had greatly declined. Furthermore, the extension of transportation throughout the world has greatly increased the sharpness of competition. Man's tendency to become over hopeful at times and to engage in hazardous speculation has in no wise diminished, and panics and fluctuations in credit have, if anything, become more marked. Nor is it probable that the rapid increase in land values that has occurred since 1870 will be repeated in the future. Even during the last fifteen years, appreciation in the newer states has been partly offset by depreciation in the older. If the government had been lending money on mortgage, its losses in western Kansas and Nebraska since 1885 would have been fully as much as those of private investors, and the net gain in the

[1] Thus, the Land Purchase Acts for promoting peasant proprietorship in Ireland appear to work fairly well. Under these acts the state makes advances to the peasants for the purchase of their holdings. In 1885 and again in 1887 Parliament voted five million pounds for this purpose. More than twenty-five thousand tenants have become owners, and the total arrears on March 31, 1896, amounted to but 4389 pounds. Time enough has not elapsed, however, to determine the ultimate outcome. In any event, conditions in Ireland are very unlike those in the United States, and our own experience is a much safer guide to follow. — See "Land Purchase in Ireland," *Nineteenth Century*, 1896, XL, 829–837; also *The Nation*, 1894, LVIII, 118.

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value of its security, therefore, would not have been large. More than this: an increase at one place would have afforded no compensation for a shrinkage at another; for the former would merely have protected the government against loss, while the latter would here and there have necessitated foreclosure; and it is highly improbable that a government which so signally failed in dealing with those in arrears for purchase money would be more successful now in dealing with foreclosures. While, therefore, conditions have in some respects changed, the arguments which in 1820 brought about the repeal of the credit system still in the main hold good.

Furthermore, the policy of government loans is open to objections from which the credit system was exempt. Among these is the difficulty of devising efficient administrative machinery. Loaning money upon property at a conservative valuation calls for the exercise of sound judgment, and few functions are less adapted to governmental activity. It is, of course, conceivable that the banking institutions of the country might be turned into government agencies. If the rate of interest, however, were fixed at two per cent, the appetite to borrow would be almost insatiable; and, unless discretionary power were given the administrative authorities to lower and raise the rate, the normal supply of loan funds would either greatly exceed or fall far short of the demand. Besides, if loans were restricted to owners of farm produce and realty, an unhealthy boom in these forms of property would be sure to take place.[1]

The most serious objection, however, appears from a monetary standpoint. Additions to the circulation are occasionally required, but in the long run they are effects rather than causes of industrial activity. The policy in question, however, assumes just the reverse to be true. The demand of the Omaha platform for the speedy increase of the circulating medium to not less than fifty dollars *per capita* admits of no other interpretation.[2] It is significant, also, that the framers of this platform were almost without exception avowed advocates of irredeemable paper. Such movements deny or ignore the fact that the

[1] McVey, The Populist Movement, Economic Studies, I, 168. [2] *Ibid.*, p. 163.

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supply of money, under the modern system of production, is automatically adjusted to the demand. In truth, when there is a deficiency, forces are set in motion which increase the supply; and when there is an over-abundance, production declines. While the output of gold is now and then increased by exceptional finds, the large stock in existence steadies its value, and the supply is regulated in much the same way as is that of commodities in general. Moreover, mining has turned more and more to the reduction of ores of ascertained yield, and the annual product has become much less a matter of chance.

When times are hard, nevertheless, the conviction takes root that the law of automatic adjustment does not apply to money, and the public is easily led to believe that every fall in price is assignable to a monetary cause. What industry really needs is capital in the shape of raw materials and machinery, and a scarcity of these forms of wealth is frequently mistaken for a lack of means of exchange. Under such circumstances, a movement for inflation is apt to arise. Beyond doubt this was one of the most potent forces back of the demand for the free coinage of silver at 16 to 1. The remarkable increase in the production of gold, however, has removed all doubts as to an adequate supply, and has left the silver movement without any reasonable ground upon which to rest. It has also enforced the lesson that the real problem of the farmer is to produce something to exchange, and that the supply of gold for this purpose may safely be trusted to take care of itself. The rapidity with which the people of the West, notably of Kansas,[1] have reduced their mortgage indebtedness within two years, is sufficient to show that the farmer can spend his time more profitably than in talking and voting for the free coinage of silver and irredeemable paper. Since 1896 cotton is almost the only great staple that has sold unusually low, and the obvious reason of its exceptional position is that the crops of 1897 and 1898 were abnormally large.[2] Probably no one would

[1] Franklin Matthews, in *Harper's Weekly*, January 29, 1898, pp. 113, 114.

[2] Growers have annually met and resolved to reduce the acreage planted, but many have returned home and increased their own, on the presumption that

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claim that our monetary system is without its defects, but they are those which arise from a lack of banking facilities rather than from a scarcity of redemption money. Branch banks would assist in a better distribution of the currency, and the right of issue upon general assets would impart elasticity to it.[1] These are the propositions, however, which those who clamor loudest for government loans declaim against most violently.

Within four or five years the demand for such loans has lost much of its strength. The leaders of the agitation soon turned to advocate the free coinage of silver, believing that therein lay a better prospect of immediate success. They saw that this movement would receive some support from those who believed in a convertible currency, and they looked upon it as the initial step to unlimited paper issues. The effect of this policy was, however, to divert attention from the ultimate end; while repeated defeats have dampened the ardor of the inflationist movement. Moreover, the movement was the offspring of discontent, some of it resting upon real, some of it upon imaginary, grievances — and the latter were the more influential in its spread. The suspicion was rife that some monstrous conspiracy transferred the fruits of labor to those who do not work, and the belief was more or less general that those successful in the acquisition of wealth were the cause of poverty and want. Resting in part upon so shadowy a basis, the movement inevitably declined, especially when the return of better times effected a substantial improvement in actual conditions. Moreover, the recent war with Spain and the questions growing out of it have come to occupy a prominent place in the public mind and have crowded out the Populists' demands.

All attempts to render it as easy for a farmer to obtain a

others would curtail. The "hand-to-mouth" existence of many producers and the system of credit that has developed since the war are also responsible for overproduction. Cotton readily commands cash, and is practically the only crop upon which growers can secure advances from the merchants who furnish supplies. The fact that no other crop will bear so well the neglect incidental to the methods of negro labor has also prevented a reduction in acreage. — *Cf.* M. B. Hammond, The Cotton Industry, Part i, Chap. v.

[1] M. B. Hammond, "The Southern Farmer and Banking Reform," *Sound Currency*, December 1, 1898.

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loan of money as to borrow a "neighbor's wagon to haul a load of grain to town"[1] are doomed to failure. The lender of money parts with a property right, while the lender of a wagon parts merely with a possessory right.[2] In the one case, the borrower obligates himself to return not the identical, but similar pieces of money; in the other, he is obliged to return the thing itself, and the latter is loaned on easier terms, because the risk to the lender is less. Moreover, a wagon is seldom borrowed for longer than a week, while a farmer commonly procures a loan for not less than a year. The load a wagon can carry, also, is in no wise affected by the number in existence; but the more abundant the supply of money (demand remaining constant), the greater the number of dollars required to do a given work. What a man wants with money is purchasing power, and this varies inversely with the ease of acquisition. The existence of a class who have nothing but promises to give for the commodities of others depends upon other than mere monetary causes, and a deliberate inflation of the currency cannot but diminish the power which they desire.

An argument sometimes advanced is that, since the government furnishes the national banks with notes at one per cent a year, it should do as well for the farmer.[3] The obvious reply is that these banks do not have a monopoly. Capital is free to enter or withdraw from the banking business, and with few exceptions the profits are moderate.[4] The circulation is taxed only one per cent, but it is issued only upon deposits of government bonds. The abundance of other kinds of currency, the preference for credit in the form of deposits, and the low rate of interest, together with the premium on bonds, limit the volume of notes that can be profitably issued. Profits are derived far more from a large line of deposits than from the notes emitted. In many instances the investment in bonds does not exceed the minimum required by law. The institution that

[1] Post, "The Sub-Treasury Plan," *The Arena*, V, 348.

[2] MacLeod, History and Practice of Banking (fifth edition), I, 90.

[3] Post, *op. cit.*, pp. 342–348.

[4] Report of the Comptroller of the Currency, 1896, I, 620. The annual average profit for the ten years ending with 1896 was 7.47 per cent.

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has built up what is probably the most profitable business in the entire country — the Chemical National Bank of New York — issues no notes at all.

The history of colonial currencies[1] contains much that is instructive upon the subject of our study. The favorite plan was to establish a "land bank," declare its issues a legal tender and loan them upon mortgage security. Massachusetts in 1714 authorized a "bank" of fifty thousand pounds, to be loaned at five per cent interest and one-fifth of the principal payable annually. The loans were extended from time to time, and at the end of thirty years some were still unpaid. Other issues followed, and depreciation became more and more marked. "Trade was afloat without moorings and steered by a compass which fluctuated with every issue of bills, and even with every vote or debate affecting those issues." In 1750 specie payments were resumed, at the ratio of eleven of paper to one of specie. In Rhode Island the appetite for paper money knew almost no bounds. Beginning with 1715, one "land bank" followed another in rapid succession, and by 1750 nine had been stated. Large emissions were also made in payment of the expenses of government and under pretense of replacing lost or destroyed notes. Each inflation led to another. Those who had received loans, as well as those who had not, clamored for more. In many instances interest and principal went unpaid. "Foreclosures were rare and did not pay for the trouble and excitement they caused." "New tenors" were occasionally emitted, exchangeable at the rate of one for three or four of the old. The number of tenors was "like a succession of manure heaps of different degrees of rottenness."[2] The mania became so general that Parliament in 1751 restricted, and in 1763 prohibited, paper issues by the colonies. With the Revolutionary War the flow of paper money started afresh, and during the years immediately following the policy

[1] For the facts see Weeden, Economic and Social History of New England, II; also Davis, "Currency Discussion in Massachusetts," *Quarterly Journal of Economics*, 1896–97, XI, 70–91 and 136–160; Sumner, History of American Currency; and Winsor, Narrative and Critical History of America, V, 167–76.

[2] White, Money and Banking, p. 128.

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of government loans was tested to the bitter end. The experience, however, was not without fruit. Among the more important provisions of the federal Constitution is the prohibition of the issue of bills of credit by the states, and a clause expressly delegating this power to Congress was struck out in the constitutional convention by a vote of nine states to two.[1]

The results of our study may be summarized as follows: The disastrous experiment of selling the public land on credit affords strong grounds for opposition to the project of government loans. Such lending, furthermore, is ill-adapted to become a function of government, and would promote the most reckless use of credit. The argument that gold is an appreciating standard can no longer be urged in favor of the plan. With a yearly output of gold greater than that of silver and gold combined in 1890, the prospect is that the yellow metal will fall rather than rise in purchasing power.

The plea for debtors against a standard alleged to be rising may be honorably and forcefully made; but legislation to degrade a standard already favorable to debtors would be an undisguised swindle.[2]

Most important of all, this policy would almost inevitably lead to inflation and leave us with a currency redeemable in farms, cotton and wheat, instead of in specie — and redeemable only at the hands of those indebted to the government. The temptation to meet governmental obligations by special issues would be well-nigh irresistible. Once without anchorage to a commodity adapted to circulate as money, we should be adrift upon the sea of unlimited paper issues;[3] and debtors would be more or less indifferent about repaying loans which cost the government so little.

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[1] Madison, Journal of Constitutional Convention (Scott ed.), pp. 541–543, 620.

[2] Roberts, "The Increasing Supply of Gold," *The Forum*, February, 1899, p. 664.

[3] See Hadley, Economics, p. 262; MacLeod, History and Practice of Banking (fifth ed.), Vol. ii, Chap. xiv.

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THE DISTRIBUTION OF PROPERTY TAXES BETWEEN CITY AND COUNTRY. II.

COMING now to the work of the state labor bureaus, let us first compare Mr. Schilling's report on Chicago assessments with a less famous report of his predecessor, Mr. Lord, which was devoted in part to the values and assessed valuations of acre property throughout Illinois.[1] By making lists of all sales of acre property during the year 1887 in which the true consideration appeared to be stated, the average price per acre was obtained, and this was compared with the average assessed valuation per acre. The result was "a general confirmation, for the state at large, of the prevailing sentiment that lands in this state are assessed for taxation at about one-third of their real value." The exact percentage found for the state as a whole was 32.16. The county averages ranged from 94.46 per cent in Alexander county, where land was cheap, to 7.26 per cent in Cook County, where proximity to Chicago gave even acre property a highly speculative value; and as a rule the percentage was lowest where the value of land was comparatively high — another striking example of regressive taxation. With the exception of Cook County and one other, the county averages were all in excess of 18 per cent.

Mr. Schilling's investigation concerning assessments and selling values in Chicago[2] covers twenty-five years, from 1870 to 1894 inclusive, but makes no claim to completeness. It is based upon 3297 selected sales and a few estimates, not upon all the *bona fide* sales of the long period covered. The average ratio between assessments and selling values for the entire twenty-five years was found to be 15.38 per cent; for 1893

[1] Sixth Biennial Report of the Bureau of Labor Statistics of Illinois, 1890, pp. 257–276.

[2] Eighth Biennial Report of the Bureau of Labor Statistics, 1894; second edition, 1896.

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and 1894, 12.42 per cent. The additions made to Chicago assessments by the state board of equalization brought the final valuation for the whole period up to 19.64 per cent; for 1893 and 1894, up to 14.57 per cent. The assessed valuation of seventy pieces of property in the business centre of Chicago, with buildings from five to twenty stories high, was found to be 9.67 per cent of the estimated true value, based upon sales, leases, building permits and the opinions of experts. In the case of thirty-six pieces of property in the same section which actually changed hands between the dates of issue of the first and second editions of this eighth biennial report, the assessed valuation was 9.41 per cent of the selling value — a striking confirmation of the estimate. The assessed valuation of the seventy buildings alone was found to be 12.38 per cent of their value, while the land on which they stood was assessed at only 7.36 per cent of its value. Thirty choice residence properties were found to be assessed at only 7.78 per cent of their estimated true value, while eighty pieces of cheap residence property showed assessments averaging 15.9 per cent of the selling values, and ninety-eight vacant lots were assessed at only 4.88 per cent of their value. The assessments discriminated in favor of the city and against the country; in favor of the rich and against the poor in the city; in favor of land and against improvements. It was calculated that a certain acre of land in the business centre of Chicago, without the buildings, was equal in value to 253,077 acres of average Illinois farm land; but its assessed valuation was about one-fifth as great.

The report gives also some astonishing figures showing the extent to which intangible personal property escapes taxation in Chicago. The moneys of all state banks, bankers, brokers and stock-jobbers in Cook County were assessed in 1894 at $43,925; although eleven months previous to the assessment day twenty-seven state banks in Chicago had reported taxable moneys on hand amounting to $18,991,771.67, or more than four hundred times the assessment. The credits of the same corporations and firms were assessed at $10,000, although the same twenty-seven banks had reported net taxable credits

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amounting to more than one hundred times the assessment. The *per capita* assessments of bankers' and brokers' moneys was 3.7 cents in Cook County, as against $1.168 in the remainder of the state; that of other moneys was 36.4 cents in Cook County and $2.784 in all other counties. The *per capita* assessment of bankers' and brokers' credits was less than a cent in Cook County, as compared with 59 cents in all other counties, and that of other credits was 43.8 cents in Cook County and $4.108 elsewhere. The assessments of tangible personalty showed discrepancies almost as startling. In Cook County the assessors found only one piano to 100 persons, and one watch or clock to 157 persons; in the rest of the state they found a piano for every 83 persons, and a watch or clock for every eight persons. The average valuation of pianos was also higher in the rural districts than in Cook County. The report makes similar comparisons for safes, machinery, billiard tables and other kinds of property.

This Illinois report has been severely criticised in points of detail, and an examination of the primary tables by Professor Bemis disclosed some errors, amounting in the case of the tables for 1893 and 1894 to positive fraud on the part of a subordinate officer of the bureau, apparently for the purpose of exaggerating the over-taxation of cheap residence property.[1] This had the effect of exaggerating also the difference between improved and unimproved property, and made the average percentage for 1893 and 1894 somewhat too high, the corrected figures given by Professor Bemis being 13.19 per cent for 1893 and 10.72 per cent for 1894. No errors affecting the general result more seriously than this could be discovered; on the contrary, the percentages given for business property, 9.67 and 9.41, were substantially confirmed by a commission of real-estate experts and builders appointed by Mayor Swift, who appraised all the real estate in the business centre and obtained a ratio of 9.28 per cent.[2]

[1] Ninth Biennial Report of the Bureau of Labor Statistics, 1896, pp. 111–119.

[2] Real Estate Valuation Supplement to *The Economist* (Chicago), May 16, 1896; Ninth Biennial Report of the Bureau of Labor Statistics, Part ii.

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The researches of Professor Bemis disclosed that the principal gas companies of Chicago were assessed at less than three per cent, and the leading street-railway companies at about 3.25 per cent of the value of their securities. Mr. Schilling, by comparing these ratios with an estimate of 25 to 35 per cent for real estate outside of Cook County, reaches the conclusion that the farmers of Illinois, as compared with the corporations in question, pay from six to eight times their share of taxes.[1]

For the purpose of an accurate comparison of the results obtained by the bureau for city and country, it is necessary to make allowance for the difference in time between the two investigations. Between 1887 and 1894 there was a falling off in the assessed valuation of acre property from $365,476,933 to $334,030,873, and the latter assessment was still further reduced by the state board of equalization to $315,013,706. The equalized assessment of 1894 was therefore 13.81 per cent less than that which was found to be 32.16 per cent of the selling value in 1887. The reduction was probably due, in part at least, to an actual depreciation of farm values, and not wholly to a lower standard of assessment; but even assuming that there was no such depreciation, the lowest ratio obtainable for acre property is 27.72 per cent. The state board of equalization added 18 per cent to the assessed valuation of Cook County lots in 1894; and if the same percentage be added to the assessed valuation of the 126 pieces of property which gave Professor Bemis his final ratio of 10.72 per cent, the figure for comparison with the result obtained for acre property is found to be 12.65 per cent. Thus, after making all allowances, it appears that acre property in Illinois is assessed more than twice as high as real estate in Chicago.

The Connecticut bureau of labor statistics recently investigated the subject of taxation in that state, both by sending out schedules to the assessors and by examining probate court records for the appraised values of probated estates.[2] One of

[1] Ninth Biennial Report, p. 112.

[2] Twelfth Annual Report of the Bureau of Labor Statistics of the State of Connecticut, 1896, pp. 9–258.

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the questions asked related to the manner of assessing farm property, and the replies indicate a great variety of practices. In several towns the selling value of similar property is taken as a basis, but in others the assessors themselves say that the result is reached "mostly by guess," by "guesswork" or "by legal guessing." In one place all land is assessed at the same rate per acre; in another it appears that barns and other buildings used for farm purposes are not as a rule taxed. Like variations occur in the methods of assessing other property. Farm property is said to be assessed in many cases far in excess of the selling value, being listed at the same figure year after year, without regard to depreciation; on the other hand, assessments are not always increased where rising values require it to be done.

The examination of probate records covered the real property of 732 estates in process of settlement during 1895, situated in forty-eight different municipalities, including all the principal towns and many of the smaller ones. The average ratio between the assessments and the appraised values was 61.2 per cent in the seventeen towns of more than 8000 inhabitants, and 61.9 per cent in thirty-one rural municipalities — a difference too slight to cause any serious injustice. But as property in general is taxed in Connecticut for county and local purposes only, a truer test is afforded by a comparison between the urban and rural portions of each county separately, as in the case of Pennsylvania. Omitting Litchfield County, which has no populous towns, the assessments are higher in the rural than in the urban districts in four of the seven remaining counties — namely, New Haven, New London, Windham and Tolland; while in Hartford, Fairfield and Middlesex counties the reverse is true. The higher assessments are, therefore, in the country in a majority of cases, but in some counties the number of estates represented is not large enough to make the results very conclusive. A balance so nearly even may have been turned one way or the other by the action of the state board of equalization; but it is impossible to state exactly what that action was in any case, because real and personal property are not equalized separately.

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In a recent report of the Missouri bureau of labor statistics, Commissioner Meriwether made a comparison between assessments and actual sale prices of selected real estate in each county. Striking instances of both over-assessment and under-assessment were found, causing gross inequalities between different counties and towns, as well as between individuals. The average assessed valuation of farms throughout the state was found to be 35.05 per cent of the true value. This was greater than the percentage for Kansas City property, which was 29.63; but was much less than the percentage in St. Louis, which was 50.4, and considerably less than the average for all town and city lots, which was 46.47 per cent. The average assessment of farms by counties ranged all the way from 21.85 per cent to 80.86 per cent of the selling value; that of town property varied almost as much, from 24.6 per cent to 70.73 per cent. The highest assessments of town lots, however, were found in small villages, and the highest assessments of farms were found in the less populous counties. Of fifty-four counties in which sales of both farms and town lots were examined, only fifteen showed higher assessments on farms.[1]

Hon. L. G. Powers, while commissioner of labor for Minnesota, conducted a very thoroughgoing inquiry concerning the distribution of the burden of taxation in his state, by means of comparisons of equalized assessed valuations with prices at ordinary sales and also with prices at forced sales resulting from mortgage foreclosures. The final results are not yet published, but Mr. Powers stated some preliminary results at the Albany meeting of the labor-bureau officials in 1896, and has kindly permitted the use of his manuscript analysis. So far as the investigation had proceeded at the time of the Albany meeting, it indicated that Minneapolis and St. Paul were overtaxed in comparison with the rest of the state, and the finished report shows a similar result; for, comparing the assessments of 1894 with warranty deeds recorded in 1895, the assessments average 44.2 per cent of the selling prices in

[1] Eighteenth Annual Report of the Bureau of Labor Statistics, 1896, pp. 83–129.

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the three principal city counties, but only 40.19 per cent in the other counties. The assessment of 1896, compared with that of 1894, shows a falling off of 23.22 per cent in the city counties, but of only 2.73 per cent in the remainder of the state; yet the decline in urban land values during the same period seems to have been nearly as marked as the decrease in the assessment, for the ratio of assessed to selling values in the city counties is found to be nearly as high as before — 43.19 per cent. The sales of 1896 were examined in only twelve of the rural counties (as in the others the assessment was not materially changed), so that the average ratio for all the rural counties in 1896 cannot be stated exactly; but it is estimated at something less than 40 per cent. A further investigation of a large number of apparently exceptional cases in the urban counties showed that the true considerations were often exaggerated in city deeds. Making the necessary correction for this source of error and, on the other hand, for the error introduced by sacrifice or forced sales, the true ratio between assessments and actual values in the three city counties is estimated at 46 per cent, as against 40 per cent in the rural counties.[1] The assessments are shown to be regressive in both urban and rural districts.

The thirteenth annual report of the Kansas bureau of labor has for its main feature a comparison between the selling values and assessments of the real estate sold in thirty counties of Kansas during six months of 1897. The average ratio of the assessments to the selling value was 36.9 per cent in the cities,[2] but only 29.2 per cent in the case of acre property. In only six of the thirty counties was the average assessment higher on acre property than on town lots. On the other hand, it appears that the assessments of 289 manufacturing and industrial concerns, including both real and personal property, averaged only 8.1 per cent of the capital invested, as

[1] For a possible explanation of the comparatively high average for the cities, see Mr. Frederick R. Clow's article on "The St. Paul Method of Assessing Real Estate," in *The Journal of Political Economy*, December, 1896.

[2] This ratio is incorrectly given in the report.

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reported by the managers; while those of 375 companies holding municipal franchises averaged only 12.1 per cent of the capital invested. The taxes both on real estate in city and country and on the industrial establishments are shown to be decidedly regressive. The report attributes the worst evils of Kansas taxation to the prevailing custom according to which the assessors in each county agree annually upon a basis of assessment — the rates agreed upon ranging from 200 per cent of the true value in three of the western counties, in the region of abandoned homesteads, to 20 per cent in some of the eastern counties, the favorite rate being one-third. Between the rates agreed upon and the actual ratios of assessments to selling value, however, there is no ascertainable connection.

Bringing together in a single table the results of these inquiries, or such of them as yielded results at all definite in character, they are seen to form a very unsatisfactory basis for generalization. In Connecticut the difference between urban and rural assessments is too slight to be conclusive; in Pennsylvania the results of the two independent investigations differ as to the general averages, though they agree in indicating the overtaxation of farms or acre property in more than half the counties. Of the six remaining states, New York and Illinois show higher average assessments in the country than in the city, and Wisconsin, Minnesota, Missouri and Kansas show the reverse. Summarizing the results by counties, which are worth considering even where there are both state and local taxes on real estate, Connecticut, New York, Pennsylvania and Illinois show the higher assessments on farms in a majority of cases, while the reverse is true of Wisconsin, Missouri and Kansas. In the case of Minnesota this mode of comparison is not yet available. The eight states under consideration seem to be nearly equally divided between those in which the rural population is overtaxed and those in which it has the advantage; but it should be remembered that careful official inquiries place Massachusetts and New Jersey in the list of states in which the farmers are overtaxed, though not with such definiteness that they can be included in the table.

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RATIOS OF ASSESSED VALUATIONS TO SELLING OR ESTIMATED VALUES OF URBAN AND RURAL REAL ESTATE.

	No. of Sales.	Per cent.		No. of Sales.	Per cent.
Connecticut:			Wisconsin:		
17 urban towns	—	61.2	Lots	—	47.0
31 rural towns	—	61.9	Acres	—	41.4
New York:			Minnesota:		
City & village property	—	63.0	3 urban counties	—	46.0
Farms	—	82.0	78 rural counties	—	40.0
Pennsylvania:			Missouri:		
Cities	—	64.2	St. Louis	492	50.4
Boroughs	—	57.2	Kansas City	113	29.6
Townships	—	61.8	Remainder of state	5207	36.1
Lots	19406	62.8	Town and city lots	1915	46.5
Acres	8168	57.1	Farms	3897	35.0
Lots	899	47.1	Kansas:		
Farms	1233	52.8	Lots	1025	36.9
Illinois:			Acres	646	29.2
Chicago	126	12.6			
Acre property	26771	27.7			

For results of a more general application it is necessary to resort to the census. The volume on valuation and taxation gives estimates by counties of the true value of real estate taxed, based upon the assessments but corrected according to the statements of local assessors and other persons who were supposed to be familiar with the value of real estate. In the case of Wisconsin the county lists of sales were used; in the case of Pennsylvania the Tax Conference figures were taken, except that the census office took the liberty of reducing the estimate for Philadelphia by about $125,000,000, and apparently made an error of $30,000 in the figure for Potter County. Classifying all counties containing municipalities of more than 8000 inhabitants as urban and all others as rural, the census estimates indicate for the country as a whole a higher rate of assessment in the former than in the latter — 56.8 as compared with 47.4 per cent. But, on the other hand, of the 43 states having both urban and rural counties, 24 show the higher assessments in the rural counties, and only 18 in the urban

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counties ; in the case of Maine, the claim of assessment at full value is made for every county alike. The latter figures are undoubtedly more significant than the general averages, because the assessment of property is a state and local problem, rather than a national problem. The apparent disagreement between the two results seems to be due mainly to the inclusion in the minority of such wealthy states as Massachusetts and Pennsylvania, and of several states — such as Minnesota, Missouri, Louisiana and Nevada — in which the advantage of the country is very marked; and partly also to the absurdly high assessment ratio of 100 per cent claimed for the District of Columbia and very low assessments in some of the western states containing no urban counties. The rural districts appear to have the higher assessments in nearly all the eastern states, while the north central states show the contrary condition, and the south central and western states are about equally divided. This distinction between the East and the West is probably due to the failure of assessors, in those sections where the decline in value of farming land has been greatest, to make sufficient allowance for depreciation.

It should be remembered that the census figures are only imperfect estimates, and that the distinction between urban and rural districts is also imperfect. For these reasons the chances of error are so great that it seems scarcely worth while to give the percentages in full by states, yet it is probable that the errors correct each other to such an extent that the general result is not far from the truth. It is worthy of attention that the calculation based upon census figures confirms the conclusions given above regarding Connecticut, New York and Illinois, on the one hand, and Wisconsin, Minnesota, Missouri and Kansas, on the other. It also confirms the opinion of the New Jersey state board of taxation concerning that state, and agrees in a general way with the averages for Pennsylvania reported to the Tax Conference, but of course fails to show the situation by counties. It contradicts the opinion of the Massachusetts tax commission, but that is a difference which might easily be explained by the interval of seven years, at a time of

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general agricultural depression. On the whole, the census figures and the special investigations together seem to justify the conclusion that in comparison with city real estate farms are probably overtaxed oftener than they are undertaxed.

So far as personal property is concerned, the statistics are meagre and inconclusive, although such as have been brought forward nearly all seem to point in the same direction. Assessments of personalty are so haphazard, and true values are so difficult to ascertain, that no satisfactory comparison can be made between them; even the census office would not attempt such a comparison directly, or by smaller units than whole commonwealths. Yet, even in the absence of statistical proof, there are good reasons for believing that the farmer is overtaxed in respect to his personal property, even more and oftener than on his real estate. It has been repeatedly pointed out that the farmer's personalty consists mainly of visible tangible chattels which can hardly escape the observation of the assessor, while the personal property of the cities is for the most part either intangible, easily concealed or difficult to value at sight. The statement of the Massachusetts tax commission, to the effect that live stock in the farming districts is one of the forms of personal property most regularly and unfailingly taxed, undoubtedly holds good elsewhere; in most states, perhaps, no other form of personalty can be classed with live stock in this respect. The recent tax commission of Wisconsin, by comparing the state census of 1895 with the assessments of the same year, found that live stock was assessed at nearly 60 per cent of its total true value; while, according to the last federal census, the corresponding percentage for all other property, real and personal, was only 31.48.[1] Wherever the listing system prevails, live stock is apt to be scheduled with much particularity of detail and carefully classified according to species, age, quality and breeding. Other property receives much less attention; it almost seems that legislators and tax officials have despaired of reaching personal property in general, and have decided to concentrate their efforts upon farm animals.

[1] Report of the Wisconsin Tax Commission, 1898, p. 73.

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Wagons, agricultural implements and farm products, however, frequently figure prominently on the schedules. Thus, there is abundant evidence that, where farms are taxed more heavily than city real estate, the attempt to tax personal property only aggravates the inequality; and that where farms are relatively under-assessed, the tax on personal property tends to restore the equilibrium or even turns the balance the other way.

Statistics are also lacking to show the distribution of customs and internal revenue taxes; but the country districts, being characterized by relatively large families, probably pay their full share of taxes on consumption in proportion to their ability.

We may not turn aside from our study of figures to consider at any length questions of shifting and incidence, as affecting the tax on property itself; yet it is worth while to call attention to Mr. Coutts's argument, that a tax upon agricultural land or its products cannot be shifted as easily as a tax on manufactured commodities, because "contraction of agriculture is induced only by severe depression, while contraction of other business follows, as a rule, a slight decline in profits."[1]

III.

While students of the subject outside of metropolitan newspaper offices have generally agreed that the burden of taxes rests with undue weight upon the farmers, there have been widely differing opinions as to the cause. It has often been assumed, more or less thoughtlessly, that the widespread evasion of taxes on personal property, throwing the weight of taxation mainly on real estate, must necessarily increase the burden of those who own farms. Thus Governor Pattison, of Pennsylvania, in his message of 1885, complained that real estate paid $30,000,000 in taxes and personal property only $8,000,000, and declared there was "no reason why the capital of the farmer should be taxed four times as much as the wealth of another citizen."[2] Comptroller Wemple, of New York State, reported a

[1] "Agricultural Depression in the United States. Its Causes and Remedies." *Publications of the Michigan Political Science Association*, II, No. 6, p. 42.

[2] Journal of the Senate, 1885, pp. 15, 16.

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few years later that the effect of the escape of personal property from taxation and the consequent unjust discrimination against real estate had been to depreciate land values throughout the state and — in the agricultural districts especially — to depress all business and reduce profits; the depreciation in the rural districts amounting to a shrinkage of at least one-third.[1] Senator Peffer, in his report on agricultural depression, gives tables for eight states showing a constant increase of real-estate valuations and a comparative diminution of personal property assessments, and says:

> This "unjust discrimination" against real estate is matter of general complaint among farmers in all parts of the country, and the figures and statements above given show that the complaint is not unreasonable.[2]

Even so careful a writer as Mr. Coutts refers to "the steadily growing disparity in the taxation of real and personal property" almost as if that were the same thing as a disparity between the taxation of agriculture and that of other industries.[3] The faulty assumption underlying all these statements is that taxes on real estate are paid mainly in the country, where most of the land is, and that taxes on personal property are paid almost wholly in the cities. Students who have looked into the matter more carefully have seen the fallacy of this assumption, and have been disposed to attribute the overtaxation of the farmer, not to the increase of real-estate taxes and the relative diminution of taxes on personal property, as such, but to the escape of certain classes of personalty, at the expense of those property owners whose chattels are not so easily concealed. Thus, Professor Seligman[4] attributes the depreciation of farming land, not to the "unjust discrimination against real estate," as Governor Pattison did, but rather to the tax on personal property:

> The weight of taxation really rests on the farmer, because in the rural districts the assessors add the personalty, which is generally

[1] Annual Report of the Comptroller, January, 1891, p. xvii.

[2] Agricultural Depression; Causes and Remedies. Report by Mr. Peffer, submitted to the Senate Committee on Agriculture and Forestry, February 15, 1894, pp. 53–57.

[3] *Op. cit.*, chap. vii.

[4] Essays in Taxation, p. 32.

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visible and tangible, to the realty, and impose the tax on both. . . . What is practically a real property tax in the remainder of the state becomes a general property tax in the rural regions. The farmer bears not only his share, but also that of the other classes of society.

Mr. Thomas G. Shearman[1] cites statistics from Ohio and Missouri to show that the exemption of all personal property would especially benefit the farmers. He compares the assessed valuations for 1887 of the four counties of Ohio containing the largest cities with those of all the other counties taken together, and with the five counties containing the smallest proportion of city population; and he finds that the valuation of personalty was only 26.25 per cent of the whole in the city counties, as against 32 per cent in the remainder of the state and 32.5 per cent in the five rural counties. Comparing a single city county with a typical rural county, the difference is even greater. Taking only money and credits, which one might expect to find chiefly in the cities, he finds that the five city counties return less than six times as much money and a little more than three times as much credits, or about four times as much of both together, as the five rural counties, but eleven times as much real estate, measured by value. In the case of Missouri, taking the assessments for 1893, he finds that the personalty was taxed only one-fifth as much as the real estate in the four city counties, but nearly one-half as much in the 101 rural counties. The city of St. Louis paid about 40 per cent of all state taxes on real estate, but less than 20 per cent of the personal property taxes, and only 11 per cent of the taxes on money and credits.

The Ohio tax commission of 1893 gave later figures than Mr. Shearman's, showing that in Cincinnati and Cleveland the assessments of personalty constituted less than one-fourth of the total assessments. Figures were also given for several eastern cities in which even smaller percentages of personalty were found. Intangible personalty alone — consisting of money, credits, stocks and bonds — was represented by only 5.2 per cent of the total assessment of 1892 in the five principal city counties,

[1] Natural Taxation, chap. vi.

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but by 11.46 per cent in the remainder of the state.[1] Statistics to much the same effect for 1893 were afterward given by the taxation committee of the Cleveland chamber of commerce, whose conclusion was: "The general property tax is a tax upon all classes of property in the country counties only; in the cities it tends to become virtually a land tax purely."[2] According to the late David A. Wells,[3]

> The net result of all the comparisons made by the Ohio commissioners between city and farming districts finally goes to prove that the tax upon personal property makes farmers pay from four dollars to seven dollars where it makes the residents of large cities pay one dollar.

Mr. Lawson Purdy, secretary of the New York Tax Reform Association, in two recent pamphlets[4] in favor of local option in taxation, shows that eight of the principal city counties of New York, excluding the metropolis but including the suburban districts known as Richmond and Westchester counties, paid only 4.9 per cent of their property taxes on personalty, as compared with 9.5 per cent in the 51 remaining counties of the state; yet even in the rural counties the total personalty assessments were less than the true value of the live stock alone in 1890. The proportion of taxes paid on personal property was only 2.5 per cent in Westchester County and less than one per cent in Richmond County. In the counties containing the cities of Brooklyn, Buffalo, Rochester and Long Island City, the assessment of personalty was 5.6 per cent of the whole; while in five farming counties, in which the personal property assessment was actually less than in 1870, it was still 12.5 per cent of the whole assessment. The returns from the four city counties showed more than six times as much real estate, but only three times as much personal property, as those from the five agricultural counties. The largest proportion of

[1] Report of the Tax Commission of Ohio, 1893, pp. 24–26, 31.

[2] Taxation: Report of Special Committee, 1895, p. 9.

[3] *Popular Science Monthly*, lii, 201 (December, 1897).

[4] "Taxation of Personal Property in the State of New York," and "Recent Results of Property Tax in New York, Massachusetts, New Jersey, Ohio, Illinois, Missouri, West Virginia"; see also *Municipal Affairs*, June, 1899.

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personalty found anywhere in the state was in Warren County, one of the least populous districts, in which the average value of land and improvements was less than $15 an acre; but even there the percentage was only 20.6. New York County followed close behind with a percentage of 19. This unusually large proportion of personalty in a metropolitan district Mr. Purdy attributes to the exceptionally efficient guessing of the New York City assessors. He says:

> There is no large city in this state, and very few in the United States, where the assessment of personal property has been more conscientiously performed than in the City of New York. But the difficulty of its assessment increases more rapidly than population as cities grow in size. . . . The system, if it can be called such, now in vogue, is to send notices of assessment to names taken from the directory; and the amount is gauged by the style of house in which they live, sending a notice for $5000 to people on one block and $10,000 to persons on another. If the persons notified make no objection the amount is likely to be increased from year to year until they object or move away.

From this statement it would seem that the personal-property tax in Manhattan is in effect a tax on house rentals; but the commissioners of taxes and assessments say that the assessments are based upon "general information obtained from many quarters."

Mr. Purdy also examines the assessment statistics of six states besides New York, and in each case finds the proportions of personalty considerably greater in the rural counties than in the principal urban counties. He considers that this "proves beyond question that personal taxes fall with much greater weight on rural communities than they do upon the cities." It is easy to imagine Dr. Spahr interposing a *non sequitur* at this point, as he has done with special reference to Mr. Shearman's argument.[1] Dr. Spahr says that he

> knows no better example of the common-sense of American farmers respecting their own interest, and the folly of city experts who think them fools, than the way in which the former have clung to the taxation of personal property.

[1] The Present Distribution of Wealth in the United States, pp. 149, 155.

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He maintains that "the personal property returned in the rural counties is almost exclusively returned in the cities and villages of those counties." In proof of this, he says that in Ohio

> the value of farm-land equals that of urban realty, yet the aggregate value of farmers' personalty — including as such all the live stock, and all the carriages, wagons, watches, and pianos in the state — is but $90,000,000, while the value of merchants' and manufacturers' stock, money, credits, *etc.*, is $223,000,000, and that of banks, railroads, *etc.*, another $182,000,000. These are about the proportions in most states with fairly good tax systems, and the farmers know it without statistics.

That all the merchants' and manufacturers' stock, money, credits, *etc.*, are taxed in the cities and villages, and that all the carriages, wagons, watches and pianos, as well as the live stock, are "farmers' personalty" and assessed as such, are both sufficiently violent assumptions, but it by no means follows that the error in one will counterbalance and correct that of the other. Hence, while Dr. Spahr has pointed out a possible shortcoming in the argument of his opponents, he is very far from having proved his own case, even with respect to the one state chosen for illustration.

Another question, much discussed in connection with the single-tax propaganda, has to do with the proportions of land and improvements in city and country. Mr. George contended [1] that the working farmer would be decidedly a gainer by the adoption of the single tax, because his land was improved land, and the value of the improvements and of the stock used in cultivation bore a high proportion to the value of the bare land. Mr. Shearman [2] makes somewhat more specific statements to the same effect, maintaining that the exemption of all improvements, including fences, growing crops and other improvements on agricultural land, would diminish the taxes on farms to a greater proportional amount than those levied on town and city property. In endeavoring to prove this, he is led to complain that, even where the assessments profess to separate lands and

[1] Social Problems, chap. xx.

[2] Natural Taxation, chap. xii and appendix.

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improvements, only buildings seem to be reckoned as improvements, the value added to land by drainage, irrigation or other processes of cultivation never being separately stated; and he estimates the unimproved value of cultivated land at about one-third its total value. He concludes that, "under a system of valuation excluding all improvements, cultivated farms would be assessed at less than 40 per cent of their whole value"; while in general "the bare land of cities is worth much more than 60 per cent of their real estate," and "in no large city are buildings worth more than 50 per cent of all real estate."

> The result [he concludes] of a total exemption of improvements from taxation would thus appear to be a reduction of more than 50 per cent in the taxable value of farms, and of less than 40 per cent in the taxable value of cities. . . . The exemption of all personal property and improvements would reduce the taxation of farm owners in states having large towns by at least 30 per cent. For every $100 now paid by them they would then pay less than $70.

To justify these estimates, Mr. Shearman relies wholly upon the real-estate assessments of Boston and a few other Massachusetts cities, taken in connection with the value of farm property as given by the Massachusetts census of 1885, which distinguishes between cultivated land, unimproved land, unimprovable land, woodland and buildings. He rejects the assessment statistics of other states, because they do not separate farms from other property, or buildings from other improvements, and because the assessments bear no uniform or ascertainable relation to the true values.

The Massachusetts census of 1885 showed that an acre of cultivated land, without buildings, was worth nearly four times as much, on the average, as an acre of uncultivated land; but Mr. Shearman, in using the census figures, estimates that the unimproved value of the cultivated land would be only about one-third more than the value of the uncultivated land, the remainder of the difference being due to the cultivation. This would make the unimproved value of Massachusetts farms only 38 per cent of their total value, including buildings and all

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other improvements; whereas the land of Boston and its suburb, Brookline, was assessed at 59.5 per cent of the total real-estate assessment, while in Lowell, Springfield and Worcester the values of land and buildings were nearly equal.

It is, of course, impossible to say how much of the difference in value between cultivated and uncultivated land is due to the cultivation itself, and how much is due to differences in situation, natural fertility, *etc.* Yet it seems probable that Mr. Shearman makes too little allowance for natural differences: to assume that all but about one-eighth of the difference is due to cultivation begs altogether too much of the question. Ricardo's dictum that the best land is cultivated first, is scarcely open to dispute, if due weight be given to convenience of situation in determining which is best. Uncultivated land, generally speaking, is land which, because of inaccessibility or because of the large amount of capital required to make it productive or for some other reason, is for the time being below the margin of cultivation. Added value is given to some land by drainage, irrigation, the planting of trees and vines or the removal of stones; but, on the other hand, the soil is often exhausted by injudicious use, and even where fertilizers are applied, their effect is only temporary. Even the clearing of woodland may be considered a doubtful improvement, because it takes away the value of the timber from the original value of the land.

The constitution of California provides that "cultivated and uncultivated land of the same quality, and similarly situated, shall be assessed at the same value." If this rule meant all that it seems to mean, and if it were literally enforced, the resulting assessments might show to what extent differences in value are due to differences in quality and situation; but in practice it amounts to very much less than its language indicates. It seems to have been intended mainly to prevent the under-assessment of large tracts of uncultivated land; and its immediate effect was to increase the assessment of such property more than to diminish the assessment of cultivated land. It is interpreted so as not to prevent the taxation of irrigating ditches as real estate; and a separate constitutional amendment

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was required to secure the exemption even of young fruit trees and grapevines. In Minnesota the assessors distinguish, in the case of acre property, between structures and other improvements, and are expected to include in the latter category fences as well as the value given to land by cultivation. Yet the improvements exclusive of structures are assessed at little more than one-fourth as much as the structures themselves, and at less than three per cent of the total valuation of acre property, including all improvements. This seems to indicate that the value given to land by cultivation, so far as it is distinguishable by the assessors, is a very small proportion of the whole. We may admit that the real value resulting from cultivation is greater than these figures show; but how much better would the assessors succeed in finding it, even under a single-tax *régime*, than they do to-day in Minnesota? For the purpose of getting at the probable actual effect of exempting improvements, it is quite as well to take the assessors' figures for land and improvements as to attempt to estimate how much of the value of land is really due to cultivation.

In his second edition, Mr. Shearman criticises the comparison between the assessments of land and of buildings, on the ground that substantially the whole of the improvements on acre property are on improved farms, which he thinks constitute a small part of the total area. He implies that the unimproved land is owned by land speculators, and that even farmers are land speculators so far as they hold unimproved land.[1] But it seems hardly fair to class a farmer as a speculator because part of his farm is not yet improved; the real problem is not how much of the land is improved, but how much is comprised in farms, and so may be assumed to belong to farmers as distinguished from land speculators. Mr. Shearman gives figures showing the ratio of improved farm land to the total amount of acre property assessed to be only 12½ per cent in Colorado, 15 per cent in Washington and 33⅓ per cent in California. But in the case of California he compares the acres assessed in 1893 with the improved acreage of the census

[1] Natural Taxation, 2d edition, pp. 233–235.

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year, three years before; while in the case of Colorado his figure for improved land is considerably less than that given in the census reports. Moreover, the proportion of land comprised in farms is exceptionally low in these particular states. The ratio between the area of farms and the whole amount of acre property assessed in the last census year varied from 37.3 per cent in Washington to about 100 per cent in some of the other commonwealths. In a majority of the cases in which both figures are available, the farms constituted more than two-thirds of the acre property assessed.

Examining the assessed valuations of West Virginia, California, Colorado, Montana, Washington, Utah and North Dakota, Professor Seligman finds that in all those states the exemption of improvements would relieve the cities at the expense of the rural districts.[1] The California assessment of 1893, for example, assigned only 70 per cent of the value of real estate to land in San Francisco County, as compared with 76 per cent in the state at large. The West Virginia figures show that Ohio County, in which Wheeling is situated, would pay little more than half as much as before, if land values alone were taxed. In the case of Pennsylvania, where the assessments fail to distinguish between land and improvements, the estimates of the commission on valuation and taxation of the Pennsylvania Tax Conference were taken as showing the relative value of improvements as compared with land to be greater in Philadelphia than in the state as a whole, and much greater than in certain typical agricultural counties. The general conclusion reached is that the farmers of the country would lose even more from the exemption of improvements than they would gain from the exemption of personal property.

The report to the Pennsylvania Tax Conference in which land and improvements were separated[2] was based upon estimates obtained from the offices of the county commissioners. It showed a nearly equal division between land and buildings for the state as a whole, but very great variations in that regard

[1] Essays in Taxation, pp. 85–90.

[2] Valuation, Taxation and Exemption in the Commonwealth of Pennsylvania.

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between the different counties, and even between counties similarly situated. The commission's own conclusion was:

> There seems to be no law as to percentages in agricultural, manufacturing and mining counties, or those having large cities. In Philadelphia, a large manufacturing county, with the largest city in the state, but 36 per cent of the value of real estate is land, while in Allegheny County, which is a county very like Philadelphia in many respects, 57 per cent is land. As a rule, however, in agricultural counties the land values are greatest, as would be expected, while in manufacturing counties, and those having large cities, the value of improvements is equal to that of land, or greater.

Early in 1897 the United States department of agriculture published the results of a detailed investigation concerning the value of farming property in certain counties in the state of New York.[1] Agents employed by the department visited 1114 farms in four different counties, and secured the owners' estimates of the market values of the land, improvements and visible personalty separately, the value given to land by cultivation being included in improvements. Where the judgment of the agent differed materially from the farmer's own estimate, a conclusion was reached by consultation; yet the agents were of the opinion that the final estimates were somewhat too high in the case of real estate, and perhaps too low in the case of personalty. According to the estimates, the unimproved value of the farms averaged only 39.2 per cent of the value of land and improvements together — as compared with the assessment of the city of Boston for 1896, in which land represented 58.1 per cent of all real estate. The value of all real estate and tangible personalty on the farms was found to be divided as follows: land, 49.6 per cent; buildings, 38.4 per cent; and personalty, 12 per cent. The unimproved value of the land, however, was estimated at only 34.5 per cent of the total. The assessed valuations of this same property made the real estate 95.5 per cent of the whole, instead of 88 per cent, and the personal property only 4.5 per cent of the whole,

[1] Local Taxation as Affecting Farms. U. S. Department of Agriculture, Division of Statistics, Circular No. 5.

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instead of 12 per cent; and yet the assessments were supposed to include intangible as well as tangible property. The assessed valuation of the real estate was 60.9 per cent of the estimated true value, while that of personalty was only 21 per cent of its estimated value.

The sole criticism which it is necessary to make upon this investigation is that it covered portions of only four counties of a single state; so that, however impartial and accurate the estimates may have been, they are not a sufficient basis for generalizations applying to the country as a whole. In order to remedy this defect, a second and more comprehensive report on taxation has been prepared and is about to be published by the department.[1] This is based upon the statistics of assessed valuation given in the reports of state fiscal officers, mainly for the year 1896; the aim being to show the distribution of the taxes actually paid on different kinds of property, rather than the true distribution of the property itself. The assessment districts of each commonwealth are classified as urban and rural, on the basis of the population at the last national or state census, the towns of more than 8000 inhabitants being counted as urban. Where the assessments are reported by counties only, instead of by towns or townships, the counties containing towns of more than 8000 inhabitants are counted as urban, together with a few others which show a large proportion of town lots as compared with undivided real estate. The assessments of real and personal property are separately shown in all cases; and wherever the necessary figures are obtainable, the real estate is divided into land and improvements, and the personalty into tangible and intangible property.

The tables show widely different results, not only for different states, but even for places of a similar character within the same state, which might be expected to show various kinds of property in nearly the same proportions. For example, in New York City, as it existed before the consolidation, 15.4 per cent

[1] Taxation in Country and City: an Examination of the Distribution of Property Taxes as shown by Official Statistics of Assessed Valuation. U. S. Department of Agriculture, Division of Statistics, Miscellaneous Series.

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of the total assessment was personalty, as compared with only 2.6 per cent in Brooklyn and from four to about five per cent in Buffalo, Rochester and Syracuse. In Massachusetts, Fall River, New Bedford and Salem show high proportions of personalty — a fact which the Massachusetts tax commission explains by reference to the machinery in manufacturing towns; but in Worcester, Lowell, Lynn, Lawrence, Springfield and other manufacturing cities, the proportion of personalty is less than the average for the country districts. The proportion of intangible personal property also varies very greatly among cities of nearly the same size. In the states of New York and Massachusetts, the smallest proportions of personalty are returned from the suburbs of the principal cities: Yonkers, Mt. Vernon, Staten Island and Long Island City; Somerville, Chelsea, Malden, Everett and Melrose. Taking the country as a whole, the lowest proportions of personalty are shown in the District of Columbia, Delaware, New York and the rural districts of Tennessee; the highest are found in Oklahoma, Arizona and the rural counties of Wyoming and Montana. The proportion of the real-estate assessment represented by the value of land is usually greater in large cities than in small towns, but less in both than in the country.

With reference to the proportion of personalty returned, it seems impossible to make any general distinction between the great cities and the smaller towns, either in confirmation or in rebuttal of Dr. Spahr's theory that the personal property of rural counties is mainly in country towns and villages. In some cases, however, the assessments are shown by towns or townships in such a way as to throw some light on the subject. Thus, in Massachusetts, among 36 civil divisions, which had a population of less than 500 in 1895 and may therefore be considered typically rural districts, the proportion of personalty ranges all the way from 3.5 to 33.2 per cent of the total, exceeding the state average in seven cases; while the proportion of intangible property ranges from nothing up to 17.1 per cent, and exceeds the average for the state in five cases. Of the six townships of New Jersey having less than 500 inhabitants

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each, four show a proportion of personalty above the average for the state, and the range for the six townships is from 3.7 to 35.7 per cent. In the case of Michigan, the assessment districts outside of cities and incorporated villages show an average proportion of personalty only a little less than that of the rural districts as a whole, and this is true especially in the remote regions of the Upper Peninsula. The wide variations found among the most thinly populated districts of these states may be partly explained by remembering that forests, mountains, swamps and other uninhabited places are included, as well as farms. Yet, in spite of the waste places, the proportion of personalty is often found to be high, even where there are no towns or villages worthy the name; and this is at least sufficient to show that Dr. Spahr's theory has no universal application.

PERCENTAGES OF TOTAL ASSESSED VALUATIONS ASSIGNED TO EACH CLASS OF PROPERTY IN URBAN AND RURAL DISTRICTS (BY STATES AND TERRITORIES).

	LAND.	IMPROVEMENTS.	ALL REAL ESTATE.	TANGIBLE PERSONALTY.	INTANGIBLE PERSONALTY.	ALL PERSONALTY.
Maine:						
8 cities and towns	—	—	72.1	—	—	27.9
Remainder of state	—	—	79.0	—	—	21.0
New Hampshire:						
5 cities	—	—	86.4	9.6	4.0	13.6
Remainder of state	—	—	82.1	12.0	5.9	17.9
Vermont:						
2 cities	—	—	70.5	—	—	29.5
Remainder of state	—	—	72.4	—	—	27.6
Massachusetts:						
49 cities and towns	39.9	38.3	78.2	—	—	21.8
Remainder of state	31.9	44.2	76.1	—	—	23.9
Rhode Island:						
11 cities and towns	—	—	78.9	—	—	21.1
Remainder of state	—	—	72.3	—	—	27.7
Connecticut:						
17 towns	—	—	79.5	14.1	6.4	20.5
Remainder of state	—	—	83.7	8.7	7.6	16.3
New York:						
78 cities and towns	—	—	89.0	—	—	11.0
Remainder of state	—	—	92.5	—	—	7.5

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PERCENTAGES OF TOTAL ASSESSED VALUATIONS (*Continued*).

	LAND.	IMPROVEMENTS.	ALL REAL ESTATE.	TANGIBLE PERSONALTY.	INTANGIBLE PERSONALTY.	ALL PERSONALTY.
New Jersey:						
26 cities and towns	—	—	86.2	—	—	13.8
Remainder of state	—	—	79.4	—	—	20.6
Pennsylvania:						
44 cities and boroughs	—	—	74.5	0.2	25.3	25.5
Remainder of state	—	—	82.8	2.3	14.9	17.2
Delaware:						
Wilmington	—	—	99.6	—	—	0.4
Remainder of state	—	—	93.3	—	—	6.7
Maryland:						
4 urban counties	—	—	67.1	18.4	14.5	32.9
19 rural counties	—	—	75.2	12.9	11.9	24.8
District of Columbia:						
Washington	53.1	41.8	94.9	—	—	5.1
Remainder of district	72.2	27.6	99.8	—	—	0.2
West Virginia:						
3 urban counties	30.0	41.0	71.0	—	—	29.0
52 rural counties	56.6	17.8	74.4	—	—	25.6
Virginia:						
19 cities	35.9	42.0	77.9	9.8	12.3	22.1
Remainder of state	51.3	24.1	75.4	14.0	10.6	24.6
North Carolina:						
6 urban counties	—	—	68.6	17.3	14.1	31.4
90 rural counties	—	—	66.5	22.8	10.7	33.5
South Carolina:						
3 urban counties	32.3	37.9	70.2	20.5	9.3	29.8
33 rural counties	51.0	18.5	69.5	25.4	5.1	30.5
Georgia:						
7 urban counties	—	—	68.1	—	—	31.9
130 rural counties	—	—	61.4	—	—	38.6
Florida:						
5 urban counties	—	—	80.7	—	—	19.3
40 rural counties	—	—	78.6	—	—	21.4
Alabama:						
4 urban counties	—	—	76.1	15.1	8.8	23.9
62 rural counties	—	—	72.5	18.6	8.9	27.5
Mississippi:						
3 urban counties	—	—	70.1	—	—	29.9
72 rural counties	—	—	72.6	—	—	27.4
Tennessee:						
5 urban counties	—	—	87.3	—	—	12.7
91 rural counties	—	—	90.2	—	—	9.8

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PERCENTAGES OF TOTAL ASSESSED VALUATIONS (*Continued*).

	LAND.	IMPROVEMENTS.	ALL REAL ESTATE.	TANGIBLE PERSONALTY.	INTANGIBLE PERSONALTY.	ALL PERSONALTY.
Kentucky:						
8 urban counties	—	—	82.5	10.7	6.8	17.5
111 rural counties	—	—	77.0	11.0	12.0	23.0
Ohio:						
32 urban counties	—	—	82.3	9.9	7.8	17.7
56 rural counties	—	—	75.1	12.5	12.4	24.9
Michigan:						
23 cities	—	—	77.8	—	—	22.2
Remainder of state	—	—	88.7	—	—	11.3
Indiana:						
18 urban counties	48.9	25.8	74.7	—	—	25.3
74 rural counties	56.8	17.8	74.6	—	—	25.4
Illinois:						
20 urban counties	—	—	84.8	—	—	15.2
82 rural counties	—	—	81.4	—	—	18.6
Wisconsin:						
24 urban counties	—	—	80.6	15.0	4.4	19.4
46 rural counties	—	—	77.9	19.7	2.4	22.1
Minnesota:						
7 urban counties	58.4	25.6	84.0	—	—	16.0
74 rural counties	64.3	16.3	80.6	—	—	19.4
Iowa:						
18 urban counties	—	—	81.9	12.0	6.1	18.1
81 rural counties	—	—	80.6	13.3	6.1	19.4
Missouri:						
9 urban counties	—	—	82.5	14.5	3.0	17.5
106 rural counties	—	—	69.1	19.7	11.2	30.9
Arkansas:						
4 urban counties	—	—	75.5	21.5	3.0	24.5
71 rural counties	—	—	64.0	29.8	6.2	36.0
Louisiana:						
3 urban parishes	—	—	72.2	15.0	12.8	27.8
56 rural parishes	—	—	71.8	23.9	4.3	28.2
Texas:						
12 urban counties	—	—	80.0	—	—	20.0
234 rural counties	—	—	74.0	—	—	26.0
Oklahoma:						
Logan County (Guthrie)	—	—	62.0	—	—	38.0
21 rural counties	—	—	43.6	—	—	56.4
Kansas:						
11 cities	—	—	84.8	—	—	15.2
Remainder of state	—	—	86.4	—	—	13.6

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PERCENTAGES OF TOTAL ASSESSED VALUATIONS (*Continued*).

	LAND.	IMPROVEMENTS.	ALL REAL ESTATE.	TANGIBLE PERSONALTY.	INTANGIBLE PERSONALTY.	ALL PERSONALTY.
Nebraska :						
9 urban counties	—	—	84.9	13.8	1.3	15.1
81 rural counties	—	—	82.1	15.9	2.0	17.9
South Dakota :						
1 urban county	—	—	82.5	12.3	5.2	17.5
68 rural counties	—	—	82.2	15.6	2.2	17.8
North Dakota :						
Cass County (Fargo) . .	70.9	12.6	83.5	15.0	1.5	16.5
44 rural counties	67.6	8.9	76.5	21.0	2.5	23.5
Montana :						
2 urban counties	39.9	32.0	71.9	18.1	10.0	28.1
15 rural counties	36.9	19.0	55.9	40.6	3.5	44.1
Wyoming :						
1 urban county	—	—	72.5	24.0	3.5	27.5
11 rural counties	—	—	51.2	46.0	2.8	48.8
Colorado :						
4 urban counties	55.9	26.1	82.0	12.6	5.4	18.0
52 rural counties	54.0	22.3	76.3	20.2	3.5	23.7
New Mexico :						
2 principal counties . . .	—	—	78.4	17.3	4.3	21.6
16 rural counties	—	—	61.7	35.0	3.3	38.3
Arizona :						
5 principal counties	43.5	21.2	64.7	—	—	35.3
7 rural counties	32.0	19.0	51.0	—	—	49.0
Utah :						
2 urban counties	56.7	21.6	78.3	9.8	11.9	21.7
25 rural counties	47.3	23.0	70.3	25.4	4.3	29.7
Nevada :						
1 urban county	—	—	81.5	—	—	18.5
14 rural counties	—	—	67.7	—	—	32.3
Idaho :						
Ada County (Boisé) . . .	55.3	25.7	81.0	13.3	5.7	19.0
20 rural counties	49.4	23.7	73.1	25.0	1.9	26.9
Washington :						
3 urban counties	70.2	20.3	90.5	6.7	2.8	9.5
31 rural counties	72.5	15.9	88.4	8.3	3.3	11.6
Oregon :						
1 urban county	60.0	24.1	84.1	10.8	5.1	15.9
31 rural counties	63.2	10.1	73.3	19.4	7.3	26.7
California :						
11 urban counties	59.0	24.2	83.2	11.5	5.3	16.8
46 rural counties	66.9	20.5	87.4	11.4	1.2	12.6

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The foregoing table shows the proportions in which different classes of property are assessed in the urban and in the rural portions of each commonwealth; and in those few western states and territories which have no towns of more than 8000 inhabitants, the comparison is nevertheless made between the counties containing the principal towns and those which have almost no urban population. The relative proportions of real and personal property are shown for all the forty-five states, three territories and the District of Columbia. The proportion of the total assessment representing personal property is shown to be greater in the rural than in the urban districts in thirty-six cases out of forty-nine, the reverse being true only in the District of Columbia, Maine, Vermont, Connecticut, New York, Pennsylvania, Maryland, West Virginia, Mississippi, Tennessee, Michigan, Kansas and California. It is noticeable that this minority is made up chiefly of eastern states.

The proportion of intangible property, on the other hand, is greater in the urban than in the rural communities in fifteen of the twenty-seven commonwealths for which this classification is available, the larger proportions appearing in the rural districts only in New Hampshire, Connecticut, Alabama, Kentucky, Ohio, Missouri, Arkansas, Nebraska, North Dakota, Washington and Oregon, while Iowa shows the same percentage in its urban and rural counties. Curiously enough, nearly all the commonwealths in which the proportion of intangible property is greater in the urban districts are among those in which the tangible and intangible personalty together are relatively greater in the rural districts.

The assessments of land and improvements are separately reported in only sixteen cases. The ratio of the assessment of land to the total assessment is found to be greater in the rural than in the urban districts in eight states and the District of Columbia, and greater in the urban than in the rural districts in Massachusetts, North Dakota, Montana, Colorado, Arizona, Utah and Idaho. This is not far from an equal division; but it is worth noting that Massachusetts, which is Mr. Shearman's favorite illustration, is in the minority.

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These results make it possible to foretell the effect upon the distribution of taxes from certain proposed changes in the taxing system. The reforms most often urged are: (1) the exemption of intangible personalty; (2) the exemption of all personal property; and (3) the abolition of taxes on both personalty and improvements, leaving the entire burden on land values. It appears that the exemption of intangible personalty alone would in a majority of cases relieve urban communities at the expense of the rural districts, but that the exemption of both tangible and intangible personalty would benefit the rural districts in three-fourths of the commonwealths. The exemption of both personal property and improvements on land would increase the taxation of the country districts in a bare majority of the cases examined. Of course, if the exemption of any class of property were accompanied by the introduction of new forms of taxation, instead of by an increase of rates on the remainder, it would be necessary to know the distribution of the new tax in order to foretell the total effect of the change.

Indirectly the high proportion of personalty found in the assessments of the rural districts tends to confirm the opinion that the farmers are overtaxed on their personal property; for the true ratio of personal property to real estate can scarcely be higher on farms than in cities. The farmer is fairly entitled to relief; and the results given above show how far legislation should go for that purpose and where it should stop. If other considerations should make it appear expedient to exempt intangible property alone, or to lay the whole burden of the property tax on land values, in most cases it would be necessary in fairness to compensate the farmers for their loss, by additional exemptions of farming lands or improvements, or by other special concessions. On the other hand, one of the most persistent arguments against the abolition of the tax on personal property is pretty thoroughly demolished by the logic of facts. Above all, it is shown that conditions vary from place to place, that generalizations must not rest upon too narrow a basis and that to some extent each state must work out its own salvation.

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PAUL DESCHANEL — A POLITICIAN WITH A SOCIAL PROGRAM.

THE election of M. Paul Deschanel as President of the French Chamber of Deputies has excited much comment, but little seems to have been said about the qualifications which opened to a man still young so important a position. For several years the speeches of M. Deschanel have been published. In his earlier parliamentary career he wrote and spoke with notable effect upon the French colonial policy.[1] But it is in dealing with purely social questions that he has produced the most telling result. Perhaps because of his youth, as well as from a certain keen intellectual sympathy, he has found it worth while really to understand what the modern socialist movement means. He has studied with conscientious care the history and theory of socialism. If he fences in the Chamber with the leading Marxist, Jules Guesde, he shows a familiarity with the fundamental points which Marx raises that is quite as close as that of the Marxian leader himself. If the bout is with the brilliant socialist, Professor Jaurés, upon any specific result of recent radical legislation, his hold upon the fact is just as sure as that of his opponent.

It was no small advantage to come upon the stage of French politics almost at the moment when socialism became a force with which the Chamber had to reckon. In France the right of free association among workingmen was not granted until 1884; and one revenge for the tardiness in conceding this bit of justice was that the men came to their new privileges destitute of the training which the English trade unions had long since won — the training which led Gladstone to call them "the bulwarks of modern democracies." At once in almost every considerable French manufacturing town workingmen's unions were

[1] See La Questione de Tonquin (1883), and La Politique française en Océanie (1884).

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formed with extraordinary rapidity. Having had no discipline in struggling with the sobering practical duties incident to all hardy group life, the members were, from the first, victims of the most effective *phraseur*. Almost as a body, the unions went over to various forms of socialism, which — whatever their merits — are altogether impossible in practical politics.

Legislative proposals, however, instantly brought the various programs of the unions to some sort of test. Already anarchy, with its ideal of no government, had been cast out as a poor thing in practice. The next difficulty was incomparably greater — the *crux*, indeed, of all Continental socialism. Shall the splendid dream of equalizing human conditions by the socialist method stoop to the vulgar compromises of party politics? Shall those who claim absolute justice stay the hand at petty improvements of wage slavery, like profit-sharing? Shall they admit to fellowship such slightly moralized capitalists as the coöperators? If at the elections they fail upon the first ballot, shall they vote upon the second for the radical candidate? Is it not the truer faith and the wiser practice to demand, like Bourbon or Pope, the perfect whole which the theory imposes? A powerful party of French socialists (like practically all German socialists till this year) does, indeed, still clutch at the illusion that an abstract theory of distributive justice is workable under parliamentary rules. One sees, however, that the illusion is dispelled just as fast as specific responsibilities are thrust upon the socialists, whether in city councils or in the Chamber of Deputies. Already more than a hundred communes have more or less strong socialist representation upon their councils and several important cities of second rank have socialist mayors. The experience which such committee work and administrative duties involve already shows itself in a sobered temper that is new in the history of French socialism.

One sign of this is the growing frequency of party alliances between socialists and radicals in the Chamber. In November, 1892, M. Deschanel saw his opportunity to state to the deputies, in a strong and lucid speech, his political convictions upon the social issues which at every session gain a more dominant

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influence. It was an appeal to the radicals. Until the famous strike at Carmaux there had been no thought of common action between radicals and socialists. The gravity of this strike made government interference necessary and brought into party warfare new and quite incalculable influences. It is doubtful if the Chamber contained at this juncture a single member besides M. Deschanel who possessed the knowledge and the sympathy requisite to state truthfully and convincingly what the new issues meant. Men there were, like Léon Say, of first-rate economic learning, but without a hint of intellectual fairness toward what was true and important in the socialist movement. M. Deschanel, however, had made his economic studies at such a time and in such relation to the movement as to give him the knowledge and the temper best suited to the occasion. It is this fitness which the Chamber has recognized in electing him President. That the social question in relation to politics has reached a new stage of development is also shown by his election.

In the politics of the social question, what position may M. Deschanel be said to take? His appeal to the Radical Party in 1892 was that they should be loyal to their own principles and not continually play into the hands of the socialists, whose principles were, he maintained, fundamentally different. Not only do the radicals interpret differently the bearing of "'89" on present economic and social ideals, but — what is of more significance — they believe in progress through and by means of the present capitalistic order of society. This, above all things, the French socialists do not believe.[1] Capitalism — the individual appropriation of interest, rent and profits — is to them the one enemy of progress, against which every resource of a bold legislative activity should be directed.

Is it the purpose of the radicals, M. Deschanel asked, to help

[1] It should be said that this applies to all socialism in Latin countries. It applies theoretically still to the German socialists, although their more intelligent leaders will admit that there has been great progress, and that further progress still is possible through capitalism. The giving up of Lassalle's "iron law" indicates a change of opinion which has developed so far among the English Fabians that the above stricture would in no sense apply to them.

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on this scheme of destruction? "Do you believe that the receipt of interest or rent or profit by a private individual is socially harmful?" "Do you believe that the wage system at the present moment is a curse to France?" "Here are differences so vital that only those ignorant of their nature, or the poorest demagogue, could hesitate to recognize them." To the constant objections raised by some one of the sixty socialist deputies, that he was unfair in statement, M. Deschanel was ready with precise and elaborate quotations from the recognized leaders of French socialism. After the two speeches[1] delivered in 1894, it appears to have been admitted in the Deputies that he was easily the most competent member to cope with the new party.

This skilled and effective attack on the collectivist body in the Chamber has naturally forced M. Deschanel to bring forward and defend counter proposals. It would, however, sound commonplace enough to state the bold program without carefully noting, first, the new temper with which it is put forward in the French Chamber and, second, the relation of the program to the definite scheme of French collectivism.

(1) Not one of the eight speeches or addresses that have come under notice contains a gibe or any word of abuse against socialism. There is the open admission that it represents a powerful, serious and growing influence which politics must more and more take into account. M. Deschanel is, perhaps, more critical of economic and political *laissez-faire* than he is of collectivism: with the capitalistic politics that has been known in Europe as "liberalism" his break is sharp and absolute. State intervention in behalf of the laborer (not merely of the child and woman, but of the man) he accepts as a principle that is to have a far wider application. He believes that such "interference" may become international on a far larger scale.[2] He holds that *la grande industrie* has

[1] Réplique à MM. Millerand et Jaurés and Le Système collectiviste.

[2] N'est il pas évident que les projets dont la Suisse a pris l'initiative et le congrès qui a eu lieu en 1890 à Berlin ne sont qu'un premier pas dans la voie des conférences internationales?

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created a new form of pauperism through strikes — an opinion that would draw instant fire from any faithful adherent of economic liberalism in France. He sees that capitalism brought a revolution — "the daughter of steam" — which "*a été à la fois l'honneur et le tourment de notre âge.*" He sees that within its victories there has been a barbaric exploitation of human weakness, and that this exploitation has been most relentless where the industrial struggle has been unmodified by social control. There are many passages eloquent with indignation against those who assume that the free play of commercial self-interest in the hands of the strong can meet the problems which just now press for solution. It is expressly said that socialism comes to us, not alone with errors, but with a great truth — that the problem is to take its message, without being fooled by its misconceptions. Its plea for a new conception of social unity and solidarity, much of its criticism of modern commercialism, several of its specific proposals — these receive at his hands consistent and cordial approval. If the evidence is good that the state should take over the coal mines, he is not influenced by the cry that such action would be "socialistic." If the state can manage so difficult an industry in such a way as to lessen the present friction between employer and employed, and without serious economic loss, to be made good by the taxpayer, by all means, says he, let it be done. That the proposition is socialistic is not, with him, primarily in its disfavor. Yet the passion in France to work for the state is so keen and universal, the bureaucracy is attended with evils of so obvious a character, that the burden of proof, he thinks, is with those who ask that the change be made. It is this temper which separates him from the great body of those in France who have fought the battle against the socialists.

We are not, however, left in the least doubt as to the essential economic conservatism of M. Deschanel. No test of this can be more severely and unmistakably outlined than in his own words: "I stand for the rights of personal private property *as at present understood.*" The saner socialists do not propose to destroy private property, but a socialist who claimed that he

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did not attack private property, *as at present understood*, would be guilty of ignorance or of a sorry subterfuge. Private property "for consumption only" is not private property in its present form. By no statement could one throw himself into sharper opposition to the collectivist ideal than in the above quotation from M. Deschanel. His temper is, however, at every point that of one who is fearless before the facts, asking only that they *are* facts and are considered in their relations to a substantial social improvement.

(2) After the admirable openness of mind thus noted, let us consider M. Deschanel's method. It is here that we shall see his real strength, as thus far developed in the Chamber. In spite of constant bickerings and endless internal warfare, the socialists have held with singular unanimity to certain economic assumptions: for example, that the present status of the wage-earning body in France is growing worse; that the large properties are absorbing the smaller; that the peasant's patch of land is slowly passing to the great landholder; that mortgage indebtedness is steadily shifting its weight upon the poorer peasants — in a word, the general charges of Continental socialism against the present industrial *régime*. Obviously, if these assumptions are correct, the evidence is extremely damaging. M. Deschanel's method is shown at its best in dealing with these stock propositions of the collectivist propaganda. Definite illustration from the debates of 1897 will bring this out in the greatest clearness.

Leading socialists like Lafargue (a son-in-law of Marx) and Jaurés had maintained that the small agricultural properties were being swallowed up by capitalistic aggregations. Before attempting any disproof, M. Deschanel, without any pedantry, asked what was meant. Is there, he inquired, a growing concentration of *area* or a growing concentration in the method of land cultivation? If the peasants are losing their lots, the danger is clear. That is an issue of fact to be examined upon its merits. If there is growing among the peasants the habit of "associational farming," in order to economize in purchasing fertilizers or in using expensive machinery, that may stand for an

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advantage to the peasant as well as to the general consumer. In the case of the beet-sugar industry, he easily shows that this kind of concentration exists, but that it is of incontestable profit to the smaller owners. This, even upon socialist grounds, is a sign of progress. Then, as to area, he appeals to the two chief reports on the subject, which show that the farming area is not passing from the peasant to the large proprietor, but that the exact opposite appears in many parts of France. Appreciating, however, the popular distrust of statistics made under the government's eye, he presses the socialists to name the regions in which the greater properties are increasing to the harm of the lesser; and then, after making in each a minute personal investigation by the help of practical men of the neighborhoods, he lays bare his evidence and challenges the deputies of the departments concerned to put it to the severest tests in their own districts and with the men whom he names. The conclusion reached, in the case of specific industries, like those of beet-raising, viticulture and general farming, is that the socialist proposition, as stated and accepted by the leaders of that party, is untrue to every accessible fact.

Again, as to the alleged increase of mortgage indebtedness among the small owners. He shows, first, how illusory it is to talk only of the debtor. Who, he asks, is the creditor? As if one in an ordinary American town should consider the coöperative bank or building and loan association only on the side of its debtors, leaving out of the account the lenders, or assuming that only the rich were the lenders! M. Deschanel is able to show that millions of very small owners are the lenders and that the mortgage, if soberly used, may be a sign of common progress. No rash claim is made that these facts in any way extenuate the definite evils connected with a ponderous mortgage indebtedness in country districts; but it is made plain that the current statements of the socialists are wide of the truth, plainly tending to obscure rather than to lay bare the real evils.

In these illustrations from M. Deschanel's speeches, it is not maintained by the writer that the main claims of modern social-

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ism are met and refuted by this adroit debater; for these claims are not dependent upon the special *form* which the French collectivists give them. The illustrations are given to show the mastery displayed by M. Deschanel in meeting his doughty opponents. He has learned his lesson so well as to understand that the safest political propaganda on the social question can be made by fearlessly bringing out the essential facts and meaning of the collectivist claims. "Let the electors see," he says, "precisely what you want." A special socialist propaganda was begun among the small farmers two years ago, and M. Deschanel was swift to use the occasion.

You socialists teach that the receipt of interest is wrong; that none should work for hire and that wheat, beets, hay and grapes should not be sold. I only ask you to say these things simply and clearly to the peasants and let them judge. If you refuse to tell them, we shall tell them by printed extracts from your own speeches and books. We are eager to make the political fight with you in the country on those issues.

Some half-taught socialist objected that the farmers might still sell their products and continue good socialists. Appeal on this point was at once made to the accomplished socialist, Deputy Gabrielle Deville. He was frank enough to rise and admit that they could not sell their products: "*Je répondrai qu'il n'aura pas le droit de les vendre.*" In a single speech the logic of the socialist proposals is made fatally clear:

Let the socialists have what they ask and, by sure consequence, no farmer shall have interest on any loan he makes. He shall have no rent for house, or land, or threshing machine. His land may be held "in use" unless a neighbor offers a higher rent to the Commune, but the present title is radically changed, as the delegates by popular vote may determine.

M. Deschanel is philosopher enough to know that every one of these proposals should have the broadest and most fearless discussion, each upon its merits. He does not deny that in some far future they may be found practicable and socially useful. He does, however, deny that wise men, with practical responsibilities, just now stand in France in working relations

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to any such future. He finds, moreover, that the present forms of interest, rent and profits are distributing the national wealth among an ever-increasing proportion of the population, and therefore should not be radically changed from individual to social control.

The evils which make the social question are, in his interpretation, not inherent in "the system," but separable from it. For example, the abuses of usury among the peasants have been great; but the growing use of credit associations, which put funds at five per cent interest into the hands of the smallest cultivator, who has a minimum of security, are effectively meeting this evil. The aim of the legislator should, therefore, be to separate the abuse and deal with it after its nature. The devastating influence of the money power in politics is admitted in sentences that Jules Guesde himself might have spoken; but the practical work of legislative reform, it is maintained, is not to attack the present methods of wealth creation as generally prevailing. That task is rather to disengage the abuse through "organized publicity" and to correct it, precisely as concrete abuses of unfair influence by contractors in city politics are being removed. M. Deschanel points to the record of social legislation during the last twelve years in France, together with proposals now before the Chamber, "as a sure sign that the social question is at last seen to be of first and vital importance." If, in the long list, we look for those which seem most to have won the support of M. Deschanel, we find them chiefly in (*a*) the measures which are believed to encourage the spread of private property among the wage-earners; (*b*) measures designed to lessen the friction between employer and employed, and (*c*) in the organization of agencies (like the *Office du Travail*) for the collection and spread of statistical information *that will be believed by the wage-earners.*

To see the importance of this last measure, is to see the intelligence of M. Deschanel's program. The ground upon which the French collectivist has chosen to stand is that capitalism and the wage system have now come to impose a steadily increasing burden upon the great body of the laborers — that,

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therefore, the system must be uprooted. If this were true, — if the classes are becoming more widely separated, if the large incomes are increasing and the small ones lessening, — it is evidently a blunder to bring in the small palliatives of "labor protection," mutual credit, arbitration and conciliation, profit-sharing and coöperation, fussy regulations by the "benevolent loafers and philanthropists." All these merely call off the attention from the central evil, capitalism. M. Deschanel believes that all this has one fault — that the allegations are not true. The practical problem is, therefore, to *prove their untruth before the electors.* Here is a work which government must undertake. It may freely coöperate with labor organizations — as the Swiss Federation now does — in producing a body of information as to wealth distribution which the wage-earners will have no reason to suspect. In 1887 the Swiss passed a law under which a representative of the trade unions was practically admitted to the federal cabinet. He is paid by the government, but his election is left wholly to the trade unions. The apparently growing conservatism of these unions, as shown by the referendum, is in part explained by the fact that they are so related to the sources of industrial information that they have confidence in the statistics on which the debates so often turn.

M. Deschanel was thought at one time to be playing the demagogue in his hearty and active sympathy with the trade-union movement; but this feeling has disappeared, as his purpose has grown clearer. When he speaks of the trade union as the *cellule de l'organisation nouvelle du travail,* it is because he has studied deeply enough to see that this form of industrial grouping is as natural and inevitable as that of a business firm, a corporation or a trust. He sees that to fight it merely is a *bêtise;* he sees that it is capable of immense social uses, if encouraged to develop along safe lines; he sees that this movement is vital to the kind of coöperation toward which industrial society is now tending. This word, "coöperation," would stand more fitly and more adequately than any other for his social program. Under this term he includes, not only the

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productive and distributive forms of coöperation, but every kind of credit association, such as the farmer's syndicates and the Raiffeisen banks. He holds that this native impulse toward associational life may be increased and sustained by governmental and municipal support. The result will be a wider distribution of private property in its present forms, and — what is perhaps of more importance — this result will come in such a way as to carry its own clear evidence of a widening prosperity to the laborers. The socialist deputies, moreover, have committed themselves with such emphasis and unanimity to the exact contrary of the foregoing opinion that they must hasten to accept the challenge.

It is the rare merit of M. Deschanel that he has so strengthened his native sympathy and intelligence, by severe and conscientious investigation of social problems, that he is enabled to draw the outlines of the coming struggle boldly and yet with admirable precision. If, in open field and with fair and adequate trial, so enlightened a purpose should fail, the failure would seem to indicate far more than mere surface changes in the dominant capitalism of our time.

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NOTES ON THE DEVELOPMENT OF AMERICAN CIVIL CHURCH LAW.

THE phrase "civil church law" is here used as a convenient designation for the body of statute law that has been developed in the American commonwealths in respect to the civil status of religious institutions. This body of legislation reveals, to a considerable extent, the American concept of the normal relation of church and state, and is in so far a reliable guide in the study of the attitude of the people toward their own ecclesiastical institutes.

That the state has nothing to do with the church is a conviction that lies deep in the political consciousness of Americans. The "complete separation" of church and state has been, since the beginnings of the Republic, a political cry that has never failed to rally the multitude. Like most phrases in the popular language of politics, it holds the kernel of a truth, but does not fairly express that truth. The complete separation of church and state — of the ecclesiastical and political institutions of society, has never been and can never be realized among a people of modern civilization. There must needs be a lively connection between the civil and the religious powers of a people, and the development of civilization will inevitably differentiate this connection and cause it to be realized in an ever-increasing range of affairs.

The time was, when it was universally regarded as a function of the civil government to see to it that all subjects — in theory, at least — sustained a definite ecclesiastical relation; and the aggregate of those relations that had the sanction of the civil power constituted an ecclesiastical establishment. American political philosophy, as it has developed during the past century, has preserved the concept that the civil power is charged with a duty in respect to the religious affairs of the people, and

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to-day regards it as a function of civil government to make it legally possible and socially convenient for all the people to sustain voluntary ecclesiastical relations. The difference between the former and the latter concept has been caused by the expanding ideas as to individual liberty in expression and association. At the present time ecclesiastical relations must be voluntary, legal and socially convenient; but the demand upon the civil power to realize these conditions is as great as it ever was upon a sovereign to protect an established church. The ecclesiastical function of the American governments is now guaranteed by a public opinion that has been gaining strength for four generations and has become bed rock for our political constructions. For this reason the exercise of this function is scarcely seen upon the surface of society, and its existence is rather assumed than felt. Freedom of individual and associated thought and action is assumed by Americans of the present generation with the careless confidence with which one is apt to think of a birthright.

The history of American ecclesiastical law divides naturally into two periods — one of colonial and the other of national life. The institutions of the first period have value to-day chiefly in the historical study of particular organizations. Within the latter period there have been three stages of legal development, in the phenomena of which can be seen the growth of a national policy that is unique in Christendom. These notes deal chiefly with the more recent phases of such development, as contributing more of current value to the study of American ecclesiology.

I. THE BEGINNINGS OF THE LAW.

At the outbreak of the American Revolution the colonies could be divided ecclesiastically into three groups. In one group, consisting of New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina and Georgia, the direct establishment of the communion of the Church of England was more or less complete in law. In the second group, consisting of Massachusetts, New Hampshire, Rhode Island and Connecticut, the congregational form of ecclesiastical

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organization on the basis of the territorial parish was established in law and in fact. In the third group, consisting of Rhode Island and Pennsylvania, no ecclesiastical establishment had been developed either in law or in fact. Wherever there was an establishment, the ecclesiastical law was largely political and administrative in its nature. Ecclesiastical organization existed for the most part as the machinery for the exercise of the ecclesiastical function of the state.

As a result of political revolution, the direct establishments by royal authority were nullified in law and were degraded in popular estimation. The indirect establishments in the New England colonies, however, built upon provincial legislation and local administration, remained undisturbed for many years. There remained, moreover, as survivals of the direct establishments, a number of incorporated parishes in New York and Virginia and a few in other colonies. As remains of a still earlier establishment in New York, there were three or four incorporated Reformed Dutch churches that had received special protection by the treaty of Breda in 1664.

The Revolution left the religious life of the Americans very near to a condition of coma. During all the colonial period dissent had resisted the legal church establishment, especially the system of compulsory taxation for its support, and the overthrow of British sovereignty brought its great opportunity. A demand developed very generally, even in the New England commonwealths, for a complete divorcement of political and ecclesiastical affairs. A fair illustration of the sentiment that very generally prevailed at the close of the Revolution is to be found in the act of the Assembly of Virginia of the year 1785, the preamble of which says:

> That to suffer the civil magistrate to intrude his powers into the field of opinion, and to restrain the profession or propagation of principles on the supposition of their ill tendency, is a dangerous fallacy which at once destroys all religious liberty.
>
> That it is time enough for the rightful purposes of civil government for its officials to interfere when principles break out into overt acts against peace and good order.

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At the formation of the federal government, religious liberty was secured to the people of the United States, so far as the action of Congress was concerned, by the provisions of the Constitution, Article IV, Chapter 3, and the first amendment. Both of these provisions, it will be seen, were limitations upon the powers of Congress only. Neither the original Constitution nor any of the early amendments undertook to protect the religious liberty of the people of the states against the action of their respective state governments. The development of the local peculiarities in the ecclesiastical institutions of the people of the several states and sections of the country continued, therefore, without interruption. The several colonial legislatures had granted a few charters of incorporation to local churches, and this practice was continued for a few years by the state legislatures. It was, however, early abandoned, because of the objection made by the political minorities — and not without truth — that such particular charters of incorporation constituted special legislation secured by political influence.

At this period the churches were beginning to revive from the exhaustion caused by the war, and were becoming actual and potential possessors of property. Legal means for securing property to pious and charitable uses were sorely needed. Hence a demand arose in several of the middle states for a uniform procedure, through which the local organizations of all religious denominations could assume the corporate form. To meet this demand the legislation was enacted which characterizes the second stage of general development.

II. The Era of the General Statute.

The first general statute that could serve the churches of all denominations was passed by the State of New York, April 6, 1784. It authorized all local religious bodies to appoint trustees, who should be bodies corporate for the purpose of caring for the temporalities of the churches. The preamble of this statute recited that, under the colonial régime, many of the churches, congregations and religious societies in the state

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had been put to great difficulties to support the public worship of God, by reason of the illiberal and partial distribution of charters of incorporation to religious societies; that many charitable and well-disposed persons had been prevented from contributing to the support of religion, by the want of proper persons authorized by law to take charge of their pious donations; and that many estates purchased or given for the support of religious societies were then vested in private hands, to the "great insecurity of the society and to the no less disgust of many of the good people of the state." An act of similar intent and like provisions was passed nine years later in the State of New Jersey, and these two statutes became the models for similar acts in many of the Northern states.

These early statutes resulted from the necessity of providing legal trustees in whom might vest the title to property, and were enacted at a time of low religious activity and of bare toleration of the religious bodies by the leaders of the people in legislation. The provisions of the laws were very meagre. As a rule, trustees were to be elected annually by the members of the religious society and were, in fact, mere trustees holding a legal title; except where the society itself became the corporation, the trustees had not the powers that were given the directors of other private corporations. The amount of real and personal property that might be held was everywhere placed at a low figure, in some cases not more than two thousand dollars in value. The limit upon the annual income to be derived from property was, as a rule, proportionately low. No reference was made to particular ecclesiastical polity, save in the case of Protestant Episcopal churches. For such churches the usage had survived from the days of the colonial establishments of constituting the rector, wardens and vestrymen collectively the corporation and at the same time the trustees for the attending congregation. The powers conferred upon corporations that might come into being under these general statutes were, in general, very limited; and nowhere were such corporations allowed to be self-perpetuating.

The prevailing policy in legislation during the first third of

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the present century seemed based on the idea that the civil power should treat all the religious organizations alike, by doing as little as possible for any of them. Partiality to religious denominations on the part of state legislatures was dreaded, and there was a very real fear among the law-makers that something might be done toward re-creating an ecclesiastical establishment. Danger was seen in placing the control of any accumulation of property in the hands of spiritual functionaries. Of the spirit of the time we have evidence in dicta contained in a decision of a New York court.

> It was the intention of the legislature to place the control of the temporal affairs of these societies [religious societies] in the hands of a majority of corporators, independent of priest, bishop, presbytery or synod or other ecclesiastical judicatory. This is the inevitable effect of the provision giving to the majority, without regard to their religious sentiments, the right to elect trustees and to fix the salary of the ministers.

This language was used with reference to the New York law of 1813, which superseded the law of 1784.

One effect of these general statutes has made a deep impression upon the churches themselves. It is coming now to be generally conceded by the students of American ecclesiology that the anomaly of the "religious society," as an ecclesiastical element distinct from the body of church members, is a product of the civil law; and, although it may have had its origin in the territorial parish of the New England colonies, its development came in the decisions of the courts interpreting the provisions of the general statutes. Wherever a religious incorporation was effected, the law came to recognize three distinct factors in each local religious organization: first, the religious society, representing the congregation in the habit of attending the public services of the church; second, the body of church members, the spiritual society; and, third, the corporation. Each of the factors had separate interests that the law was bound to safeguard.

The method of providing for the incorporation of religious societies by means of a general statute has developed unequally

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in different sections of the country, and it has not yet been adopted in all the states. As late as the year 1866 the states of Rhode Island, Virginia and South Carolina had no such statute. Thirty years later, in 1896, a general statute of incorporation was still forbidden by constitution in the states of Virginia and West Virginia. In both these states the circuit courts of the counties are authorized to appoint for religious societies trustees in whom may vest the title to property devoted to religious uses. In a number of states, even at the present time, there is no distinct legislation for the incorporation of churches. We find provision for "educational and religious" organizations, and for "religious, social and benevolent" bodies; and one state, Colorado, has an interesting provision for the formation of joint stock companies for "religious, educational and charitable" purposes. There is, however, reason to believe that, with the increase in the numbers and material wealth of churches in the Southern states, incorporation will become more common and general statutes will be enacted specifically for the incorporation of churches.

III. The Development of Denominational Provisions.

The third stage in the development of the civil church law has been the result of specializing legislation in two directions. One of these has been mentioned above, namely, discrimination between ecclesiastical organizations proper and other social, educational and philanthropic organizations. The second form of specialization, however, has produced more marked results than the first. In the states having the most highly developed legislation, the general provisions of the statutes have, from time to time, been supplemented with special optional provisions for corporations of particular religious denominations.

The demand for this sort of legislation has in nearly every case come from the churches themselves. As the denominations have grown in strength and have developed a more intelligent interest in their own characteristics, many of them have tried to legalize in a way the essential features of their

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respective polities. Through these supplemental provisions, there has been wrought into the statute law the recognition of purely ecclesiastical functionaries. It cannot now be said to be the intention of the legislatures to keep the control of the temporal affairs of churches in the hands of corporations, "independent of priest, bishop, presbytery or synod or other ecclesiastical judicatory." There is at the present time a marked legislative cordiality towards the churches. While at the beginning of the century the policy in legislation was to treat all religious interests alike, by doing as little as possible for any of them and forcing all to conform to one procedure, at the end of the century the policy seems to be to treat all interests alike, by giving to each all that is asked.

The early concept of religious organization in American law was very naturally that of a simple and completely autonomous local society. To denominations whose type of government corresponds to this concept, the legislation of the general-statute era was satisfactory. The special optional provisions referred to have, therefore, been enacted for the benefit of churches having polities by which the local bodies sustain definite relations to some more general authority. It has been those denominations which have an administrative or episcopal type of organization that have shown the greatest energy in securing denominational legislation of the character mentioned. At the present time, twenty-five distinct religious denominations have been thus specially legislated for. The statutes of sixteen states now contain special provisions for the incorporation and regulation of Protestant Episcopal churches. Eight states make similar provision for Roman Catholic churches and seven states for Methodist Episcopal churches.

Another feature of recent development — one of especial interest to students of American ecclesiology — is the increase in the number of statutory provisions for the creation of ecclesiastical corporations sole. This form of corporation is not used in New York, and at the present time is expressly forbidden in the states of Pennsylvania, Delaware and Michigan. On the other hand, in the states of Massachusetts, New Jersey and

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Oregon, individual executive functionaries — such as superintendents, presiding elders, bishops and archbishops — may be constituted corporations sole, with all the powers granted by the general acts to corporations aggregate. By these provisions a civil corporate capacity is made to attach to an ecclesiastical office. Should the social environment of churches in the United States foster the development of executive forms of ecclesiastical association, it seems likely that an increasing use would be made of the ecclesiastical corporation sole.

Another marked advance in the general movement to give more definite legal status to ecclesiastical institutions seems to have been made by the New Jersey act of March 15, 1898, which vests whole religious denominations within the state, even though they consist of undetermined numbers of individuals, with legal personality, without recourse to incorporation, to the extent of allowing them a standing in the courts by means of self-appointed representatives. In whose interest this law was enacted has not yet appeared, and no construction of the act by the courts has yet come down to enlighten us.

We are in the midst of still another interesting development of the civil church law. Efforts are now making in several states by the "Christian Scientists" to secure legal incorporation for religious purposes, with additional features that usually pertain to schools for the teaching of medicine. The "Metaphysical College" has been chartered in Massachusetts, but the effort of the "Christian Scientists" in Pennsylvania has so far failed. Judge Pennypacker, *In Re* First Church of Christ, Scientist, in Philadelphia, in 1897 denied the application for a charter "to preach the Gospel according to the doctrines of Christ, found in the Bible and stated in the tenets of Christian Science." Accompanying certain tenets of faith stated in the application for a charter were rules of which the first prescribed:

> To become a member of the First Church of Christ Scientist in Philadelphia, Pa., the applicant must be a believer in the doctrines of Christian Science, according to the teaching contained in the book *Science and Health, with Key to the Scriptures*, by the Rev. Mary Baker G. Eddy. The Bible and the above-named book, with other works by

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the same author, must be his only text-books for self-instruction in Christian Science and *for practicing metaphysical healing.*

It is only fair to say, however, that this application was denied on the ground that public policy at the present time forbade a recognition by the civil authorities of a "metaphysical" system of dealing with the morbid physical conditions of the human body. The question has been raised, but not yet answered, whether legal sanction is to be secured under current statutes or by new legislation for a corporation to combine ecclesiastical and medical functions. The conditions seem to be favorable to the appearance of such hybrid institutions.

The privilege that is being accorded to religious bodies, of having such legislation enacted for them as best develops their respective polities, seems to be resulting in what may be defined as a legal crystallization of ecclesiastical polity. Presbyteries, conferences, synods, classes, conventions, superintendents, overseers, presiding elders, vicar-generals, bishops and archbishops are coming to have a legal status by virtue of their ecclesiastical status and legal powers incidental to their spiritual jurisdiction. Such features of ecclesiastical organization as secure recognition in the civil law are thereby made more rigid than the non-legal features, and more capable of resisting the influences of social environment.

Lastly, we are on the threshold of a far wider development of our civil church law, by reason of the recent expansion of the national sovereignty and the authority of the Federal government over populations having long-established ecclesiastical institutions and presenting problems entirely new to our ecclesiastical policy. One ecclesiastical result of recent events has been the technical lapse of certain portions of the communion of the Roman Church into the status of *terra infidelium.* Definite legal results cannot, however, be expected until the substitution of civil for military government is complete.

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REVIEWS.

China in Transformation. By ARCHIBALD R. COLQUHOUN. New York and London, Harper & Brothers, 1898. — x, 397 pp.

Mr. Colquhoun's latest book is a clear and masterly elaboration of an argument which may be summarized as follows: —

During the secular, persistent march of Russia towards the east, her eye has always been fixed on China to the southward. Recent events have enabled her, not only to secure for herself long-coveted "ice-free" Pacific ports of strategic value, but also to make herself practical mistress of Manchuria, while she holds Corea at her mercy. Unless stopped by some strong combination of other powers, she must continue her southward movement, until she has absorbed the whole of China, when she will be the mistress of the world.

Russia is conquering by modern methods the kingdom of Genghis, and the Russian Tsar, once Emperor of China, will take the place of the Tartar conquerors, who carried fire and sword throughout Europe, and eastern, western and southern Asia.

In his introduction Mr. Colquhoun proposes to treat the international problem presented by the affairs of China

from the point of view of the English-speaking and Teutonic races, because there is an obvious community of interest as well as community of sentiment among them, which may be expected in the long run to constitute a permanent factor in the world's affairs.

Convinced, as he is, that the immediate destinies of mankind are largely dependent on these movements in China, he feels that, in the ultimate grouping of the powers, the Teutonic peoples will be on one side and the Slav-Latin on the other, thus leaving Japan as a mediating factor of great influence in the evolution of the Pacific states. And, in the very last paragraph of his book, he addresses these words to the people of the British Empire:

Shall we not face Russia now, rather than allow ourselves to be first replaced by her in China, and then engulfed in the resulting deluge? . . . If Britain be but true to herself, and draw the Anglo-Teutonic races to her

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side, she has still the means of averting this danger, which threatens the whole of those races, through the domination of the world by the Slav power.

The author emphasizes the enormous force of such a movement of the whole Russian people, because it goes on, patiently and steadily, in spite of temporary checks, under the direction of an autocrat, who needs to consult only a few able counsellors. On the other hand, he points out that the foreign policy of Great Britain (and, we may ourselves add, of the United States) depends solely on the sanction of public opinion in the nation at large. In this connection it seems to the present reviewer that Lord Salisbury's recent Chinese policy, which has been called temporizing, drifting, shiftless or delusive, must be explained by the prime minister's conviction that no strong current of British public opinion exists in favor of going to war with Russia over the integrity of China. However great may be the future peril to England, the nation is not yet ready to avert it by armed force, with so many other irons already in the fire. Mr. Colquhoun himself acknowledges that, as England has "only a certain reserve fund to draw from," it is useless for her to talk of safeguarding her interests in the Far East, if she is bent on empire-making in Central Africa. But, now that his countrymen have awakened to the fact that their interests in China are wholly commercial, not territorial, he urges that in this field lies their best, if not their only, chance of great trading expansion.

He believes that the policy of the mercantile maritime nations (meaning Great Britain, the United States and Germany) should be to strengthen their position and influence in Peking, with a view to keeping open a market of three hundred and fifty millions of people. China must be induced, "by pressure if necessary," to adopt measures advantageous to all the world, including herself. Foreign enterprise and capital should be allowed to open up the country, by means of railways on land and steamers on every navigable waterway; for these are the necessary preliminaries to administrative reforms. Such reforms will follow as a natural consequence, when efficient communications exist, and it is useless for the Chinese government to attempt them sooner. The mines of central and southern China must be exploited, while capitalists, manufacturers and merchants must be alert, with assurances of every possible support by their governments.

> Now is the time [he says] to press on China a comprehensive policy of opening the country. In pressing such measures the mercantile powers would be on solid ground, more especially if what was urged were not exclusive,

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but for the evident security of China, and the prosperity of her entire foreign trade. . . . No surer method of supporting China can be devised than the introduction of the capital of Britain, the United States and Germany, the chief commercial nations of the world.

It should be observed here that, since the publication of Mr. Colquhoun's book, the governments of Russia and Great Britain have come to an agreement, whereby Russia engages not to seek for herself or for others, nor to obstruct others in obtaining, any railway concessions in the basin of the Yangtsze River, and England makes a similar engagement in respect of territory north of the Great Wall of China. The final clause of the agreement is as follows:

> The two contracting parties, having nowise in view to infringe in any way the sovereign rights of China on existing treaties, will not fail to communicate to the Chinese Government the present arrangement, which, by averting all cause of complications between them, is of a nature to consolidate peace in the Far East, and serve the primordial interests of China herself.

This agreement, although referring only to railways, will give breathing time to all concerned, but it can hardly be said to avert *all* causes of complication between Russia and Great Britain. Its value lies perhaps rather in showing some disposition on the part of both powers to deal with each question on its merits, when and as it arises. At this present writing, any prediction as to its practical working would be premature.

In order to prepare the reader to grasp the full significance of the argument outlined above, Mr. Colquhoun devotes the larger part of his work to a terse, but comprehensive and accurate, summary of the latest information as to the geography of China, its economic conditions, the character of its government, institutions and people, and the possibilities of material development under wise guidance.

Questions may, no doubt, be raised as to the chance of bringing Mr. Colquhoun's scheme of concert between the three great commercial maritime powers within the domain of practical politics. On the other hand, certainly so far as the United States are concerned, objectors may fairly be asked to suggest any alternative which promises to be more workable. But, aside from individual opinions on this point, Mr. Colquhoun's book is an important contribution to knowledge, and deserves careful study by every one interested, either as a student or as a man of affairs, in one of the greatest international problems of the day.

FRANCIS B. FORBES.

BOSTON, MASS.

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The Philippine Islands and their People. A Record of Personal Observation and Experience. By DEAN C. WORCESTER, Assistant Professor of Zoölogy, University of Michigan. New York, The Macmillan Company, 1899. — xix, 529 pp.

In the Old World, where all activities are more specialized than with us, and where political activity is supposed to demand particularly thorough training, the list of President McKinley's Philippine commissioners may well have excited a degree of surprise; for the commission is made up of one ex-diplomatist and four persons whose callings are non-political — a sailor, a soldier, a philosopher and a zoölogist. In this country, however, the appointments were generally regarded as excellent, and the selection of the author of *The Philippine Islands* gave especial satisfaction.

Professor Worcester, in fact, not only shows a remarkably thorough acquaintance with the islands and their people, but he displays throughout his book that political instinct which seems to be congenital among Americans. Scattered through the narrative are pictures of Spanish colonial administration that tell us more than we could learn from a shelf full of laws and official reports; descriptions of the people, that enable us to judge for ourselves how far they are capable of organizing and maintaining self-government or any other kind of government; shrewd glimpses into the workings of the minds of savage Tagbanuas and Mangyans, barbarian Moros and semi-civilized Visayans and Tagalogs; and much valuable information about the economic resources of the islands and the present methods of exploiting them. And the devices by which the author succeeded in escaping Spanish red tape, in winning the confidence and support of outlaws, and in inspiring in savages a superstitious veneration for his supernatural powers, shows that he is by birthright, not only a good politician, but an excellent diplomatist.

The real value of a book is sometimes obscured by its timeliness; and students of the political sciences, like the students of other sciences, are often slow in recognizing the worth of contributions from men outside their own special *Fach*. It is, therefore, worth while to note that Professor Worcester's book, although timely, is likely to be recognized as standard; that, although written by a zoölogist, it does not deal with zoölogy; and that, although primarily a popular work, — and an eminently readable one, at that, — it contains a great deal of information which the political student should not ignore.

MUNROE SMITH.

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Il Governo locale inglese e le sue relazioni con la vita nazionale. Da PIETRO BERTOLINI. Torino, Fratelli Bocca, 1899. — 2 vols.: xiv, 539 pp.; xiv, 507 pp.

The reform — it might almost be said the revolution — in the local government of England, which was begun by the Poor Law Amendment Act of 1834 and completed by the Local Government Acts of 1888 and 1894, seems to have attracted more attention on the Continent than in England itself, if we are to judge by the amount of readable, and at the same time scientific, literature which the movement has called forth. It is true that the passage of each of the important acts which have done so much to change the English governmental system has been followed by some English treatise. These works have, however, as a rule been intended for the practicing lawyer and the official class; and, if they have not actually deterred the general reader from examining this most important course of legislation, they have assuredly done little to attract his attention thereto. On the Continent, on the contrary, students of politics have in the last ten years been devoting much time and labor to describing the great reform movement which has now been going on for more than half a century. In 1895 Vauthier, a Belgian, published his excellent work entitled *Le Gouvernement local de l'Angleterre* and Arminjon his volume, no less worthy of praise, *L'Administration locale de l'Angleterre* (see this QUARTERLY for December, 1895); and now we have the book under consideration by a member of the Italian Parliament.

Sig. Bertolini's work is more ambitious than that of any of his predecessors, with perhaps the exception of Gneist's famous *Local Self-government*, in that it is a most serious attempt, not merely to place before the reader a general sketch of the history of English local government, but also to enumerate and analyze in considerable detail the most important statutes which have influenced it. Indeed, the work is historical, rather than descriptive of actually existing institutions. It must, then, be treated from the point of view of history rather than from that of existing law. While we may regret that so able a hand as that of Sig. Bertolini has not made the attempt to describe English local government as it is now, we cannot be too thankful for so valuable a history of it. One of the great excellencies of this work is foreshadowed in the sub-title. The author has not been content to study English local government as a system sufficient unto itself, but has regarded it as merely a part of the general English system of government, to be intelligently studied

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only in connection with the greater whole by which it was influenced, and upon which its influence was of the greatest importance.

Sig. Bertolini, while never afraid of going into detail, where detail is necessary, has nevertheless succeeded in making his work interesting to the general reader. Indeed, he joins in such an unusual manner capacity for detail and power of generalization, that it is to be hoped that some admirer of English progress in the nineteenth century will undertake the work of translating the book into English, so that it may be accessible to the large number of persons who believe that we have something to learn both from English institutions and from Continental views in regard to them.

The work is accompanied by an excellent bibliography, as well as by a list of the statutes which have played their part in producing the English local government of to-day; while it has, contrary to Continental practice, both an alphabetical index and a most detailed table of contents.

F. J. GOODNOW.

England in the Age of Wycliffe. By GEORGE MACAULAY TREVELYAN. London and New York, Longmans, Green & Co., 1899. — xiv, 380 pp.

At the first superficial glance, Mr. Trevelyan's title is to some extent misleading, for it gives the impression that special stress is placed upon Wycliffe and his career. This work is, however, not an account of the famous religious teacher and his times, but a full history of England and her people during the last decades of the fourteenth century. To the prominent part played by Wycliffe during these years due, but only due, recognition is given. Originally the book was prepared by Mr. Trevelyan as "a dissertation sent in to compete for a fellowship at Cambridge"; in its present form, being addressed to the general reading public as well as to the academic world, some technical discussions were for obvious reasons omitted.

These years, from about 1370 to 1385, form in many respects the most interesting period in mediæval English history. As Mr. Trevelyan aptly says, they represent "the meeting point of the mediæval and the modern." In every side of the nation's life this is apparent. Dr. Cunningham has already pointed this out as regards English commercial policy. In religion new and essentially modern ideas were cropping out, and in politics we see in certain claims of the Commons the germs of the later parliamentary system. From the economic standpoint, we perceive the decay of the old manorial system with serfdom and the rise of the free laborer.

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By nothing is this transition more marked than by the political machine which John of Gaunt was able to create. "The Duke of Gaunt," Mr. Trevelyan writes, "was at the head of a small but well-organized hierarchy of knaves who made a science of extorting money from the public by a variety of ingenious methods." The duke and his friends in the Royal Council used their official positions in precisely the same way that the officials of some of our cities use theirs. The existence of a well-organized boss system at that time was much more strange and anomalous than is Tammany Hall in an era where the commercial ideal is predominant. It shows that in the days of Edward III the religious and military ideals of mediævalism were giving way to aims essentially characteristic of modern times.

In nearly all respects Mr. Trevelyan is well adapted for a successful accomplishment of his self-imposed task. To a thorough knowledge of the original authorities is joined the ability to classify and digest the raw facts. And then Mr. Trevelyan has the literary gift so characteristic of his family. His able presentation of the facts and the literary form of his work are fully worthy of the two historians who preceded him. In addition, Mr. Trevelyan's scholarship is the better, just in proportion as our historical methods are better than those of preceding generations. This union of science and art has produced what may be called the best book on English history of recent years. Other books may have added more to our knowledge; but as a history from the broadest standpoint, as a book to be read as well as to be studied, few can challenge comparison with this work of Mr. Trevelyan.

GEORGE LOUIS BEER.

A Constitutional History of the American People (1776–1850). By FRANCIS NEWTON THORPE. New York and London, Harper & Brothers, 1898. — xxvii, 486 pp.; xv, 520 pp.

The True History of the Missouri Compromise and its Repeal. By MRS. ARCHIBALD DIXON. Cincinnati, The Robert Clarke Company, 1899. — xii, 623 pp.

A History of the Presidency. By EDWARD STANWOOD, Litt.D. Boston, Houghton, Mifflin & Co., 1898. — iv, 586 pp.

In a way, and in a certain very important way, Professor Thorpe's *Constitutional History* is one of the most valuable books on the subject that has ever come within the scope of my reading. It contains within the limits of about one thousand pages more of the constitutional facts of American history than I have ever before seen brought

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together in double the space. In fact, I do not think there is another book upon the subject, no matter how extensive, that contains an equal amount of such valuable matter for the political history of this country. Mr. Thorpe has analyzed and presented the main features of all the constitutions established in the United States during the seventy-five years of which he treats, and has added much from such statute law as is fundamental in its nature.

So far as I have verified his citations, in examining his work, I have found them correct. On the other hand, I have found his arrangement of topics somewhat confusing; and in regard to a few subjects I have not found his conclusions convincing. Some of his postulates also appear to me to be crude, if not erroneous. When, for example, he affirms, in speaking of the political ideas of 1776, that "the national idea which now prevails was then unheard of" (I, 72), one would think that he had never read Patrick Henry's speech at the opening of the Continental Congress of 1774, in which he declared that British oppression and the revolution against it had swept away all colonial lines and made the inhabitants of the colonies one people—the American people. I cannot, moreover, escape from the impression that the author was too anxious to find one steady advance from provincial to national views, customs and laws. He does not seem to recognize sufficiently the zigzags in that course—the periods of rapid and radical advance, and then those of retrogression.

Professor Thorpe's study of the characteristics and the movements of the population of the American states is highly interesting and instructive. These chapters and paragraphs are welcome resting places between some of his discussions of legal and political developments, which are far less satisfactory parts of the work. The chapter on the altruistic tendencies of the democracy of the West is especially suggestive. On the whole, his book will be most useful to the experienced lawyer and publicist and to the university student. It is not a book for beginners or for general readers; for it requires much knowledge to understand it and a great deal of independent judgment to draw profit from its perusal. Statistically it is very good; scientifically it is loose; philosophically it is rather crude; and from a literary point of view it is not a great success.

Of Mrs. Dixon's book about two-thirds are devoted to the history of the slavery question down to the year 1854, and about one-third to the enactment of the Kansas-Nebraska Act of 1854. In the first part of the work there is nothing new whatsoever: it is the orthodox slaveholder's view of that history, rather loosely and clumsily written. The

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second part is filled chiefly with long quotations, drawn from the *Congressional Globe*, of the debates in the Senate upon Mr. Douglas's bill. It contains almost nothing in regard to the passage of the bill through the House of Representatives and the extraordinary parliamentary leadership of Alexander H. Stephens in driving it through the Committee of the Whole and then the House. But for the very astute manipulations of parliamentary rules by Stephens, it is highly probable that this bill would never have reached the president. Popular opinion was becoming very hostile; and, had the opposition been able to delay the action of the House a few days' longer, it is probable that that opinion could not have been faced down. This is, then, too important a chapter to be omitted from the history of the measure.

On one point Mrs. Dixon's book makes what may be regarded as a contribution to the history of the subject. It has been recorded by Ex-Secretary Gideon Welles, on the basis of a letter from Mr. Montgomery Blair, that Senator Archibald Dixon announced his amendment to the Douglas bill, which was to make the Douglas bill repeal the Missouri Compromise Act of 1820 in regard to the prohibition of slavery in the Louisiana territory above 36° 30′, at the suggestion of Mr. Seward. The author of the book, however, produces a letter of Mr. Dixon to the editor of the St. Louis *Republican*, under date of November 14, 1873, in which Mr. Dixon denies that there was any conversation between Mr. Seward and himself respecting his amendment to the Douglas bill "previous to the offering of the amendment." If we give this evidence full credence, it proves only that Mr. Seward did not make the suggestion to Mr. Dixon: it does not prove that Mr. Seward did not tell Mr. Blair that he made it. It cannot be claimed, however, that it is the duty of Mr. Dixon's biographer to clear up this point.

Stanwood's *History of the Presidency* is an expansion of the author's *History of Presidential Elections*. The original work contained a most convenient collection of facts which, down to the time of the disputed election of 1876, had never been brought together in a single volume or in a single treatise. The new volume contains, in addition, the facts of the elections since that date, down to and including the very last. The author seems to have taken great pains to establish his facts and to have been successful.

Besides this very valuable statistical matter, the author has endeavored to trace briefly the origin and careers of political parties, and also to state the principal policies and measures connected with the

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different administrations. In regard to his statement of policies and measures he has, again, written quite successfully, though briefly. His history of parties is not so satisfactory. Much allowance should be made, of course, for the lack of sufficient space; but besides being brief, his account is rather superficial. This is, it seems to me, especially true and especially regrettable in the treatment of the Republican Party. The real character of the Kansas-Nebraska Act and its influence in determining the creed of the Republican Party do not seem to me to be fully, or even correctly, set forth. When it comes to statements of general principles and scientific conclusions, the book is not of great value. In fact, it impresses me as being a little reckless. Taken as a whole, however, it is a welcome contribution to political literature.

J. W. BURGESS.

The Philosophical Theory of the State. By Bernard Bosanquet. London and New York, Macmillan & Co., 1899. — xviii, 342 pp.

The Anglo-Saxon mind (to use a term whose current vogue is matched only by its vagueness) has never manifested much capacity for the more abstract forms of political speculation. British and American theorists have almost all, in the search for ultimate political truth, stopped short of the field in which Continental philosophers have exhibited their greatest feats of transcendental acrobatics and dialectic legerdemain. That German idealism might, however, be usefully blended with the more practical English thought, was appreciated by the late Professor T. H. Green, who embodied this conviction in his *Principles of Political Obligation.* Green's writings, unfortunately, are as German in style as they are in thought, and are desperately hard reading. Many of the best and most striking features of his theory have been put in attractive form by his pupils, especially Professor Ritchie; and Mr. Bosanquet presents the work before us as a restatement of Green's views on many points, supplemented and brought down to date by the suggestions of recent psychological and sociological discussion. The book is wholly philosophical in content: whatever may be the practical applications that may be made of it, they play no part here. The author is occupied solely with framing formulas through which the fundamental relations of political society may be logically explained.

The central thesis of the work is the absolute unity of the individual and the state: to set up such an antithesis as "the individual *versus* the state" is, it asserts, irrational. The end of man, the demonstra-

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tion runs, is the realization of what is potential in him. To reach this end association with his kind — society — is indispensable; and the state is merely society controlling its members "through absolute physical power" (p. 185). But the question at once arises: If the state "controls" its members, is not an antithesis between the two implied? Not when the ultimate nature of both is understood. The essence of manhood is the free will; but the free will is manifested only in seeking the highest good of its subject, — namely, the fullest realization of his powers, — and this is attained only in the state. The state is the realization of the rational will; hence the individual is free — is truly himself — only when his will is identical with that of the state. Whatever coercion is employed by the state is, in fact, willed by the individual himself; for he wills his own good, and that good implies the state with all its power. Through the exercise of that power he is, in Rousseau's famous words, "forced to be free" — forced to realize his highest good.

The demonstration of this main thesis requires little more than a commentary on certain familiar texts of Plato, Aristotle, Rousseau, Kant and Hegel. Bosanquet's commentary is exceedingly well done, and embodies a real elucidation of some rather troublesome obscurities. The positive part is preceded by a destructive criticism of the so-called "individualistic" theories of Mill's *Liberty*, of Bentham and of Spencer, who all solve the paradox of self-government by the limitation of the power of the state. The fallacy of these theories is found to be in the prejudice that authoritative interference is to be justified on the idea of "a boundary line between self and others rather than in the nature of what coercive authority is and is not able to do towards the promotion of good life" (p. 66). Mr. Bosanquet's task is to obliterate this "boundary line" — so far, at least, as the political and ethical conceptions of liberty and authority are concerned. The clue to the process is found in Rousseau's "general will," which is admirably explained in Chapter V:

> The habits and institutions of any community are, so to speak, the standing interpretation of all the private wills which compose it, and it is thus possible to assign to the General Will a concrete meaning as something different at once from every private will and from the vote of any given assembly, and yet as standing, on the whole, for what both the one and the other necessarily aim at sustaining as the framework of their life. [Page 123.]

The most serious difficulty in this idea is that it involves the notion of unconscious will, and thus gives to the term "will" a sense

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quite irreconcilable with that of ordinary usage. A similar difficulty occurs in the development of the conception of "liberty." Mr. Bosanquet concedes that the sense which he attaches to the term is more or less metaphorical. "We are passing from the idea of non-constraint pure and simple to the idea of more or less moulding and selection within the powers and activities of the self" (p. 137). But he makes out a good case for his contention that the more refined and subtle senses of both will and liberty are essential to the analysis of highly civilized life. "The claim of the dictionary-maker that the earliest or the average meaning is also the truest or the 'proper' meaning of words has no foundation" (p. 146). Mr. Bosanquet's chapter on "The Conception of Liberty" is perhaps the best in the work, and exhibits in the highest degree his ability to make philosophical abstractions readily intelligible.

The chapter on "The End and Limit of State Action" is less satisfactory. To harmonize with the general character of the author's thought, the state should be conceived as a highly abstract entity, and should be discussed only in terms of the most ultimate abstraction. But Mr. Bosanquet speaks in language that is perilously near to the concrete and practical.

> By the State, then, we mean Society as a unit, recognized as rightly exercising control over its members through absolute physical power. [Page 184.]

If by "recognized" is meant "regarded," this is sufficiently abstract. But it is said immediately after:

> The limits of the unit are, of course, determined by what looks like historical accident; but there is logic underneath the apparent accident, and the most tremendous political questions turn upon the delimitation of political units.

Here we are evidently dealing with the state as a definite geographical entity; and the "principle determining the area of states" is immediately formulated. Then follows a definition of the "State *de facto* (which is also *de jure*)" — a society "presenting itself *qua* a single independent corporation among other independent corporations." Mr. Bosanquet, in short, passes abruptly from one sense of "state" to another, and — most surprising of all — clearly injects a subjective element into his conception by the definition:

> That Society, then, is a State, which is habitually recognized as a unit lawfully exercising force.

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"Habitually recognized" is strongly suggestive of Bentham and Austin, and its use seems to indicate a momentary lapse on the part of the author from his normal Hegelianism.

The latter part of the book reveals no similar lapses. Mr. Bosanquet devotes one long chapter to a summary of Hegel's analysis of the state, as contained in the *Rechtsphilosophie;* and in the final chapter, "Institutions considered as Ethical Ideas," the spirit of the great German "*Gedankenspinner*" is manifest throughout. Witness this:

> In institutions, then, we have that meeting point of the individual minds which is the social mind. But "meeting point" is an unhappy term, suggesting objects in space that touch at certain spots. Rather let us say, we have here the ideal substance, which as a universal structure is the social, but in its differentiated cases is the individual mind. And it is necessary to observe that the material of this fabric has determinate sources. Mind is not an empty point. It is the world as experienced. The institutions which as ethical ideas constitute mind are . . . attempts at unity, *etc.* [Pp. 298, 299.]

As institutions, in the sense thus indicated, the author discusses "the family," with property as a corollary, "the district or neighborhood," "the class" and "the nation-state." Here more than anywhere else in the book is discernible that air of intellectual inebriety which is bound to appear in the adepts of German idealism. Yet even here Mr. Bosanquet preserves a fair degree of equilibrium and puts into good light his claim that "the content of the self" is not to be found in the mere physical and mental oneness of an individual, but rather in the complex of influences which are expressed in the institutions that surround him.

WM. A. DUNNING.

Outline of Practical Sociology, with Special Reference to American Conditions. By CARROLL D. WRIGHT, LL.D., United States Commissioner of Labor. New York, Longmans, Green & Co., 1899. — xxv, 431 pp.

The deserved success of the English Citizen Series has led to the projection of a somewhat similar series for American citizens. Under the editorship of Professor A. B. Hart, of Harvard University, Longmans, Green & Co. are publishing a series of treatises on American government, finance, politics, economics, foreign policy, *etc.*, by such authorities as Professors Moore and Seligman, of Columbia; Dewey, of Massachusetts Institute of Technology; Morse,

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of Amherst; and Professor Hart himself. The initial volume of the series, by Hon. Carroll D. Wright, has recently come from the press. The title of the book is happily chosen, unless exception be taken to the term "Sociology." Colonel Wright has not essayed a history or philosophy of society, but only a simple, straightforward outline of the social problems confronting the practical American citizen of to-day. Such a task is not discharged in a few words; hence, within the limits of a brief treatise of 400 pages the author cannot hope to penetrate deeply. Such a book must perforce be elementary. Nevertheless, it is an *outline* that will prove useful, not only to the intelligent citizen but also to the student, as a framework to be rounded out with the spoils of wider reading.

In Part I the author defines sociology as the science of social relations and then proceeds to an analysis of the population of the United States, as "the basis of practical sociology." Part II is occupied with a rather sketchy treatment of the social and political units of the social organism. Parts III–VIII are devoted, respectively, to questions of population, the family, the labor system, the distribution of wealth, the defense of society and remedies for social disorders.

Colonel Wright's well-known healthy optimism reappears frequently in his latest book and, it must be confessed, has helped him to gloss over a good many difficulties. Without the slightest disposition to deny his fairness to both sides of the question, the reader will be disappointed to find such a subject as the concentration of wealth disposed of so lightly. With all good economists, Colonel Wright believes that the concentration of capital in a few hands tends to increased production, but he says: "When wealth is used productively, there can be little difference in the result to the community, whether it be contributed by thousands to the common stock, or manipulated by a small association of men owning the bulk of it" (p. 347). It will hardly do for the sociologist to stop here. What if the augmented production of wealth is accompanied with industrial slavery, as the socialists charge? What if the captains of industry can control "the destinies and liberties of millions," by simply affording or withholding the opportunity to work? Many adherents of democracy refuse to believe that the average capitalist can be trusted to exercise such tremendous powers benevolently, and they are entitled to some answer in such a book as this. Similar criticism may be passed on Colonel Wright's treatment of the trust problem.

As might be expected from the distinguished author, statistics

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abound; and it is amusing to note that he gives over part of the problem of woman's competition in men's occupations, because it "is a question that cannot be determined easily by the statistical method." Colonel Wright's use of statistics, however, is not above criticism; and it is particularly to be regretted that he has given currency to the fallacious comparison of the census figures of average annual earnings, after the thorough exposure recently made by Dr. Bullock and others.[1] He has also quoted some of Mulhall's statistics, the untrustworthiness of which has been shown time and again.

The least satisfactory part of the book is found in the bibliographies at the opening of each chapter. Too little discrimination has been manifested in the selection of authorities, and careless proof-reading has led to many errors. *Henri* de Tocqueville (p. 65), *Jere.* Macy (p. 88), E. J. *Jennes* (*i.e.*, James, p. 115) are specimens of the latter. Space fails to mention the omissions. The publishers have seen fit to imitate English orthography by introducing the superfluous "u" in such words as honor, labor, *etc.*

A. F. Weber.

New York State Bureau of Labor Statistics.

Theoretische Socialökonomik. Von Heinrich Dietzel. Erster Band, Einleitung, Allgemeiner Theil, Buch I. Leipzig, C. F. Winter'sche Verlagshandlung, 1895. — 297 pp.

In this truly thorough work the reader will find a strong presentation of the claims of economic theory, essentially as it was outlined by the classical writers but broadened so as to include many things which they did not regard as essential. At the outset the reader is warned that he will find discussed many problems which in the days of the innocence of the science were not regarded as open to question. This warning is timely, for it is followed by a rather laborious introduction, which covers 146 pages, or about half of the volume. In this arrangement there are some advantages, however, for the author has put all the critical part, including a good deal of not very profitable discussion of method, into the introduction, and has reserved only the constructive part for the body of the work.

"There is a central core of economic theory," says the author, "which is destined to stand essentially as the classical writers left it." The so-called ethical economists and the realists, he continues, have accomplished no more than a reëxamination and a restatement of some of

[1] The Federal Census, Publications of American Economic Association. New Series, No. 2, pp. 343–368. *Cf.* also *American Journal of Sociology*, III, 627.

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the minor premises. The final-utility theorists, so far as they have sought to substitute a use theory for a cost theory of value, have failed; but in a combination of these theories lies the truth which reveals the really great value of their work. They have clarified the theory of value by adding a new and vital element to the old theory, not by destroying it and substituting another.

The author contends that the name social economics is preferable to its older competitors, political economy or national economy; because (1) the term political economy emphasizes too closely the relation of the state to economy and economics; (2) the expression national economy assumes that there is a particular specific economic system bound up within the confines of each state — an assumption which, at most, is true only in accidental cases, since economics has nothing to do with either the nation or with politics; while (3) "there is an economic group, a social economy, whether its activities are confined to a communal dwelling, a city or a world."

Theoretical social economics has for its goal the analysis of the causes of the economic life of society in its entirety. "To know is to know by means of causes. But the particular moving causes of the social world are human wants." Hence the logical necessity in any system of social economics of an analysis of human wants. This is perhaps enough to indicate the author's point of view, which is a thoroughly rational one. It is gratifying to note that he avoids the extreme subjectivity of Professor Boehm-Bawerk's method, and at the same time does not attempt the manifestly impossible task of explaining economic phenomena (another name for man's attempts to adjust his surroundings to his needs) by ignoring the subjective field of observation and depending entirely upon the objective. Aside from a somewhat involved style, which presents difficulties to an American reader, the book, especially the constructive part, is thoroughly readable. Its originality consists, not in the novelty of its conclusions or methods, but in the author's striking way of saying things.

OBERLIN COLLEGE. T. N. CARVER.

Value and Distribution. An Historical, Critical and Constructive Study in Economic Theory. Adapted for advanced and postgraduate work. By CHARLES WILLIAM MACFARLANE, Ph.D. Philadelphia, J. B. Lippincott Company, 1899. — 317 pp.

This work is a valuable contribution to the literature of economic theory. It aims, first, to give a certain unity to recent theoretical

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statements, by presenting them in a consecutive way; secondly, to trace the evolution of certain recent ideas from classical sources; thirdly, to criticise those ideas; and, finally, to make an independent contribution to them. The central point in the author's study is a recognition of certain "surplus gains" at points where, according to older theories, they have been excluded. The author finds even the recent Austrian theory of value defective, in that it fails to recognize a certain net gain realized by consumers of those marginal or final utilities which, as is commonly supposed, are worth no more to the consumer than they cost. The criticism is certainly valid, as against statements of that theory which are not highly analytical. The lowest unit of a particular commodity consumed by a man does, as a rule, afford him a net gain of the kind that Dr. Macfarlane describes. It yields a "consumer's surplus," since it is worth to the user more than it costs him in personal sacrifice.

Perhaps the most interesting and important point in the author's critical discussion of other theories, and the one in which his own contribution to economic thought is the largest, is his treatment of rent and profit. Rents of all kinds are, he thinks, — and as the classical economist maintained, — not elements of price-making; while profits, on the contrary, are price-making.

The argument that rent is not an element in price is essentially the one with which Mr. John Stuart Mill has made all students of economics familiar. Profit, in Dr. Macfarlane's theory, is a further element, closely related to rent, and capable of being confounded with it, but in reality very unlike it in its nature and in its relation to price. If an article is freely produced, and there is no arbitrary limitation on the supply of it, some men produce it more economically than do others. The marginal man is one who sells it at cost, because, by virtue of something in himself or in his environment, he spends so much more than do others in producing the article that he gets no profit. If, now, the business were a monopoly, — if the supply were arbitrarily limited, — even this marginal man might get a profit. In that case, all the other men in the same business would get the same profit, in addition to whatever else they might make by virtue of the superiority of their powers of production.

In Dr. Macfarlane's view this profit is price-determining, because, as he says, "this surplus must be paid, if the supply of the commodity is to be maintained." Why must it be paid? Is there anything that compels the public to pay it, except the power of the monopolistic producers to limit the supply of the article and thus to manipulate

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the price of it? The profit is, indeed, the *inducing* cause of the limitation on the quantity, and hence of the high price; but the price itself is the direct and efficient cause of the surplus that the monopolists get. Monopoly gains are price-making, because they are a lure that appeals to the will of men who have the power to make prices; but between the volition and the effect of it on the profit, price intervenes as a necessary connecting link and is, in this sense, a cause of profits. The price of any one article is a condition of the amount of gain that is now realized by any of the agents who produce it. With this interpretation of terms, and this recognition of the distinction between two kinds of causes, we may assent to the claim that the element in distribution that is here called profit has a real existence and has to be accounted for in the theory of distribution. We may, moreover, agree that the desire to get it sets price-making influences at work.

In one important respect the author is in advance of many others. In an essential part of his study he has intentionally confined his view to a single industry, instead of including the whole range of industry. It has been the bane of many students of theory that they have not clearly perceived the difference between these two fields of study; for they have supposed they were attaining truths concerning industry as a whole, when their data have been taken from a single specific business or industrial group. The intricate relations which one group sustains to others have been the real cause of confusion and error in studies based on the pursuit of this method.

A part of the difference that Dr. Macfarlane perceives between his theory and that of other economists is due to the fact that what are called natural standards of value, wages and interest, are in reality static standards. They are the rates of value, wages and interest that could be realized only in a society in which there were no such things as radical economic changes, with the friction and disturbance that they cause. Most monopolies and quasi-monopolies are actually the result of such friction. If a man were to attempt to explain the phenomena of business without recognizing this element, he would be liable to the criticism that Dr. Macfarlane makes; for he would not give a due recognition to the element, monopoly profit. Those who divide economic theory into static and dynamic divisions avoid this difficulty. The whole subject of economic friction then falls within the dynamic part of science; for monopolies, quasi-monopolies and the profits that they yield are due to dynamic movements and to friction. A static division concerns itself only with the standards of value, wages

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and interest that would be realized if these movements and the resistance did not occur. A clear distinction between static studies and dynamic ones will settle many controversies. It will bring more nearly into unity what looks like a mass of divergent and irreconcilable thought than anything else that is possible. In revealing the necessity of making this distinction, Dr. Macfarlane's book renders a service that is, perhaps, incidental to its main purpose. The work will be valued by all who appreciate the importance of clear thinking concerning the laws of distribution.

JOHN B. CLARK.

Histoire des doctrines économiques. Par A. ESPINAS, Professeur à la Faculté des Lettres de Bordeaux. Paris, Armand Colin et Cie., n. d. — 359 pp.

Recherches sur l'histoire de l'économie politique. Par ERNEST NYS, Professeur à l'Université de Bruxelles. Bruxelles, Alfred Castaigne, 1898. — xv, 247 pp.

Histoire des doctrines économiques. Par JOSEPH RAMBAUD. Paris, L. Larose, 1899. — 512 pp.

The influence of the newer school or schools of economists in France is making itself apparent in more ways than one. Among these not the least is the increased attention paid to the history of economic theory. Until a few years ago the absence of any satisfactory treatment of these topics was very noticeable. Recently, however, we called attention to Professor Souchon's study of the economic theories of the Greeks; and we now have almost simultaneously three French books on the general history of political economy.

The work of Professor Espinas, of Bordeaux, is only a slight sketch. As was to be expected from the well-known views of the author, considerable attention is paid to the philosophical bases of the various doctrines. The author acknowledges his great indebtedness to Ingram, although he supplements the latter at several points. The book is well prepared; but it will not fill any great gap for American or English readers.

A more independent work is that of M. Ernest Nys, professor at the University of Brussels. Professor Nys has already written a great deal, more especially on the subject of international law — for he is not an economist by profession. The present book is really less a history of economic theory than a history of economic institutions, with a few reflections on theory interspersed here and there. Thus, the author takes up in turn the Byzantine and the Mussulman

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influence on industry, the economic condition of Norman Sicily, the mediæval towns, the commercial and industrial policy of Europe, the Jews, the merchants and the bankers, the economic influence of the church and the Knights Templars, and questions of taxation, of money and of commercial law. It will be seen that this is primarily a study, and not a very profound one at that, of economic institutions. There is, however, a special chapter devoted to mediæval economic theories, treating of Thomas Aquinas and his followers, and another dealing with the theory of money. The book closes with a chapter on the beginnings of the modern epoch, dealing with the causes and nature of Mercantilism. Professor Nys discloses a scanty acquaintance with the recent work done by economists and economic historians in this field. What he says is generally interesting and correct so far as it goes; but it is by no means on the level of modern historic investigation.

Easily the best of the three works is the *History of Economic Doctrines*, by Joseph Rambaud, professor of political economy in the law faculty at Lyon. This is a comprehensive work, which devotes, however, only very slight attention to the period before the Physiocrats. The economic views of classical antiquity are disposed of in a few pages; and the middle ages are treated in a very cavalier fashion. So, also, the discussion of the whole Mercantilist doctrine is exceedingly inadequate. All this may be explained by the theory of the author, who entitles his first book "Political Economy before the Economists," and who begins the work proper with the theory of economic laws. That this is entirely too narrow a view need not be explained here. The chapter on the Physiocrats, on the other hand, is very full. We notice, however, that Professor Rambaud still clings to the old myth that Gournay was one of the founders of the Physiocratic school. Had he studied Mercantilism a little more deeply, he would have seen — what is now known to most students — that Gournay was more of an enlightened Mercantilist than a Physiocrat. The treatment of Adam Smith is, on the whole, impartial. It must be said, however, that, although reference is made to Adam Smith's recent lectures on *Justice, etc.*, Professor Rambaud evidently could not have read them; for otherwise he would not have stated that Smith had planned the whole *Wealth of Nations* before he went to France. The treatment of the reciprocal influence of Adam Smith and Turgot is very unsatisfactory.

Professor Rambaud discloses a good acquaintance with recent literature in other languages — as evidenced, for instance, by his

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treatment of the American economist, Daniel Raymond, to whom, following Sherwood, he ascribes considerable influence on List and the whole protectionist movement in America. Englishmen will certainly object to his devoting just three lines in his volume of over five hundred pages to Senior, whereas seven pages are devoted to Bastiat. In the main, however, the book is well proportioned.

Professor Rambaud is not a member of the historical school, although he tries to be just to their views. That he does not always succeed, is apparent in his arguments on pages 331–333 and on page 346. He correctly regards Ihering as the real exponent of the historical school in jurisprudence, and takes his arguments as the starting point in the discussion. He objects to the theory of social evolution as portrayed, because it ends in a blasphemy; and he takes exception to the theory of economic materialism, because he thinks that it would involve the triumph of socialism — both of them arguments of the weakest kind. The work is surprisingly free from misprints, to which we have unfortunately become accustomed in French books. We have, however, noticed several — such as "Denham Steuart" (page 126), "Harward" University in various places, and a curious confusion between General Walker and his father on page 343. There we read: "We must not confound this Amasa Walker with his father, Francis Amasa Walker (1799–1875), Deputy, Senator and Secretary of State of the United States." Not only has Professor Rambaud got father and son mixed up, but the father held his positions, not under the Federal government, but under that of the State of Massachusetts. Notwithstanding these and other minor defects, the work of Professor Rambaud is, on the whole, a solid and respectable performance: it is not only the best of its kind in France, but also possesses some advantages in the way of arrangement and contents over anything that we yet have in English or German. That it nevertheless does not yet constitute a really adequate history of economics need scarcely be added. E. R. A. SELIGMAN.

Die Feldgemeinschaft in Russland. Ein Beitrag zur Sozialgeschichte und zur Kenntniss der gegenwärtigen wirthschaftlichen Lage des russischen Bauernstandes. Von WLADIMIR GR. SIMKHOWITSCH. Jena, Gustav Fischer, 1898. — xv, 399 pp.

This book of Mr. Simkhowitsch will be read with great benefit by every student of the economic history and the modern conditions of Russia. The author lays no claim to originality, but he has set before himself the task of exhausting in one volume the entire litera-

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ture of the subject, in which he appears to be perfectly at home. He takes a live interest in his subject; and, while very impartially quoting all opinions, he evidently leans towards the Marxian school, which has within the last decade been rapidly gaining ascendency in Russia, especially among the younger generation of students. To the reader who is not familiar with the Russian language, this volume will prove of invaluable assistance in bringing the subject up to date and thus supplementing the great work of Dr. von Keussler. It will also bring the reader within the range of the economic discussion now engaging the minds of the more advanced native Russian thinkers.

There is only one point in the book on which I should take issue with the author—namely, upon the origin of the Russian village community. As regards this question, a distinct change of public opinion has recently taken place in Russia. When, about twenty years ago, Professor M. Kovalevsky ventured the opinion that the Russian village community was bound to share the fate of its predecessors, the German *Mark* and the village communities of other Western nations, he was decried in the Russian periodical press and was almost ostracized by the "populists" or "peasantists" (in Stepniak's terminology). The village community was to the populist the sacrosanct heritage of Russian history, the emanation of the Russian national spirit, the palladium of the growing Russian communism. Statistical investigation has, nevertheless, vindicated the views of Professor Kovalevsky. The dissolution of the village community, which was feared by the populists as the greatest national calamity, is hailed by the Marxists as the starting point of social and economic progress. As frequently happens in controversy, however, the Russian Marxists seem to have gone to the other extreme, in making the old theory of Professor Tchitcherin almost a canon of their faith. With him the village community is merely a creation of the Russian administrative genius, originating in the Russian method of taxation, which made the entire population of a township jointly and severally responsible for the prompt payment of taxes by all its members. As all the taxes were assessed by the village community upon the land, in most cases absorbing and often exceeding the entire rental value of the land, it followed that land ownership was somewhat in the nature of a *privilegium odiosum* and was apportioned as a public burden among the entire working population of the township. Thus, the village community owed its existence to fiscal necessity.

It seems strange, *a priori*, that this view can be reconciled with the theory according to which the economic condition of a country is the

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primary factor of social life, which gives shape to political institutions as well as to political ideas. Here it would seem, on the contrary, that one of the most far-reaching economic institutions was the creation of the Russian administration. This theoretical discrepancy should not, however, prevent a scholarly mind from accepting the view advocated by the author, although it would rather tend to upset the accepted theoretical foundation of the Marxist *Weltanschauung*. What is really of interest to the student is the decision as to whether that theory is borne out by facts. If we follow the history of the village community in Northern Russia, in Little Russia, in the Southwestern steppes, in Siberia and in Central Russia, we find the development of land ownership among the peasantry to have been everywhere substantially the same. It began with the patriarchal family, embracing two, three, and often four generations, living together in the same household. Under the then prevailing methods of production, the dimensions of this communistic household could not outreach certain limits. Time would come when it would split up into a few smaller households, comprising three or four married brothers or cousins with their families. The land would then necessarily be apportioned among the divided families. In the course of time, some would emigrate and abandon their settlements, some would transfer them to newcomers; and thus, within two or three generations, the system of land tenure would become quite complex. The title to the land would be derived from the common ancestor of the holders or their grantors. As no limits were set by the community to the transfer of land plots from one holder to another, the observer is tempted to see in it the beginnings of private ownership.

One feature, however, must not be lost sight of — namely, that through all these changes of possession it was not the land itself, not a particular plot of land, but the interest in the joint estate which was transferred from one holder to another. It was thus evidently a case of joint ownership based upon common ancestry, actual or fictitious. It was amidst such conditions of joint tenure that the Russian government introduced its system of taxation, with responsibility *in solido* resting upon all the joint tenants of a given holding. It was quite natural, therefore, that numerous lawsuits should arise over the partition of these joint possessions among the joint tenants. With the lapse of time and change of possession, and in the absence of records, it was very difficult to trace the title to the original assumed ancestor; and thus the authority of the government was invoked. The latter would almost invariably decide in favor of a uniform divi-

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sion of the land by the polls, in conformity with the prevailing system of taxation. Thus, we read in a Russian official communication, dating as far back as 1786:

> Justice requires that, since the peasants bear equal burdens of taxation, they should enjoy equal shares of the land possessions; it must be considered inevitably necessary to equalize the land shares, especially wherever the peasantry depend exclusively upon agriculture, in order that on the one hand they should thereby be enabled to pay their taxes without arrears, and, on the other hand, in order to pacify the peasant with smaller holdings.

We further learn that, in so acting, the Russian government merely expressed the sentiment of the poorer classes of the peasantry, who were in the majority. It follows from what has here been said that, in the first place, the primitive form of ownership known to the Russian peasantry was not a species of private property, but was distinctly a form of joint tenure, based originally upon the ties of kin and modified in the course of time, with the advent of new settlers, by the territorial element of neighborship. This condition of ownership formed the material basis of the Russian system of taxation, with its joint and several liability of the taxpayers. The Russian administrative genius, like Antæus, drew its inspiration from contact with the soil. It furthermore appears that, when the relation of land tenure became more complicated, the Russian government merely acted in response to the desires of the majority of the peasantry. It was not, then, a case of enlightened absolutism stamping the dictates of its wisdom upon the economic institutions of the country, but just the reverse: the government, guided by the wishes of the majority of the peasant population, merely gave legislative expression to the class antagonism which had in the course of time arisen within the village community.

We think that the author and those who share his opinions take too narrow a view of the village community, in confining it solely to one form of division of land. Professor Kavelin seems to us to have understood better the true nature of the village community, in laying no particular stress upon the mode of distribution of land, which rests in the discretion of the community as its supreme owner and adapts itself to circumstances and conditions. So long as land is abundant, no limits are set to individual occupation of it by members of the community. But as soon as land becomes scarce, the community asserts the right which has always resided in it. It was not, then, the particular fiscal system, but the growth of population, that effected the gradual changes in the system of distribution of land in Russia.

NEW YORK CITY. I. A. HOURWICH.

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Cotton: Its Uses, Varieties, Fibre Structure, Cultivation, and Preparation for the Market and as an Article of Commerce; also the Manufacture of Cotton-Seed Oil, Cotton-Seed Meal and Fertilizers; with Especial Reference to Cotton Growing, Ginning and Oil Pressing in the United States. C. P. BROOKS. New York, Spon & Chamberlain, 1898. — 362 pp.

This is a book which is likely to appeal more strongly to the man who views the subject from a technical standpoint than to him who is interested only in the economic features of the cotton industry. Its author is the director of the American Correspondence School of Textiles at Lowell and is the writer of several books dealing with various phases of the cotton manufacture. The primary purpose of the present volume is to furnish manufacturers with such information concerning the growth, cultivation and marketing of cotton and its by-products as will be of practical assistance to them in selecting cotton for manufacture. Incidentally, the author hopes that the work will be of value to planters and men engaged in the cotton trade, and that the treatment of the subject is such as will interest the general reader.

Passing over the first chapter, which treats of the botany of the cotton plant and describes the different varieties of cotton, both foreign and domestic, we come to the history of cotton cultivation. This is brief and unsatisfactory, consisting, in the main, of the scattered references to the cotton plant in the writings of the Greek historians and mention of its cultivation in this country by colonial writers — statements which have been repeated by every writer on the subject for the last one hundred years. The description of the cotton belt and the account of the economic and social conditions prevailing there are interesting but not very full, and are the result of casual observation rather than of systematic study. The author, however, has little that is good to say of the negro laborer, and he considers the great increase of manufactures in the South to be due mainly to the cheap labor of the Georgia "cracker." He condemns the share system, although he admits that it was a "necessary evil" in the past; and he rightly attributes to the credit system the high rents and low-selling value of the land, the lack of intensive cultivation, the want of improvements and the unnecessarily high cost of cotton raising. His description of the modes of cultivation, and of the differences between the improved methods employed by the enterprising and intelligent planters and the old-fashioned methods still in vogue among the negroes and thriftless whites, is the best

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and most complete that the reviewer remembers to have seen. But it is somewhat of a surprise to find that, while the author approves rotation of crops as a principle and commends it as a practice which would be "beneficial to land used for cotton growing," he nevertheless deems it impracticable in the cotton belt; for, he says, "if the rotation of crops provided for cotton to be planted two years out of four, there would be far too much wheat, corn and other cereals grown for the requirements of the inhabitants, and in grain growing for the market the South cannot compete with the Northwest." But, if Southern agricultural papers are to be trusted, there is no better land for corn than is to be found in the cotton belt; and it is the present dependence of the farmers of this section on purchased supplies of corn and its chief product, bacon, that keeps prosperity away from their doors.

In the history of cotton ginning the author repeats the old Southern legends, according to which Watkins and Holmes invented gins prior to that invented by Eli Whitney, or introduced improvements which made the saw gin practicable. Yet there is no ground whatever for such statements. Watkins, in all probability, never invented a gin; and Holmes's patent, fraudulently obtained, was soon set aside by the courts. The poor ginning of the present, as compared with that done before the war, the author attributes to the expensive machinery now in use, which compels the ginner to rush cotton through the gins as fast as possible. In this way two gins are made to do what should be done by three. The increase in the number of small farms is also in part responsible, as the toll gin of the country merchant has supplanted the old plantation gins. This has likewise caused a greater mixture of cotton of different qualities. The author expects the roller gin to displace the saw gin altogether.

The present method of compressing cotton is condemned and some sensible suggestions for improvement are made. A qualified approval is given to the round bale system, but it is the writer's belief that further improvements will have to be made before this method will meet with the unqualified endorsement of manufacturers.

One of the valuable features of the book, and one that is new to treatises on cotton, is the chapter on cotton seed and its products. It is scarcely too much to say that the cotton-seed industry is causing something like an agricultural revolution in the South, through the opportunity which it affords the farmers of securing cheap and excellent feed for cattle, besides adding to the selling value of their cotton crops. Yet, as the author points out, the industry has not been

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an unmixed blessing. The negro farmer cannot withstand the temptation to sell outright for cash the entire crop of cotton seed, instead of bargaining for a return of the meal and hulls, although later he will buy, on credit, fertilizers which are worth no more but which cost far more than the price obtained for the cotton seed.

The book is well supplied with illustrations, and these often convey as much information to the Northern reader who is unfamiliar with the South as does the text itself.

M. B. HAMMOND.

UNIVERSITY OF ILLINOIS.

La Participation aux bénéfices. Par ÉMILE WAXWEILER. Paris, Arthur Rousseau, 1898. — 320 pp.

L'Association de l'ouvrier aux profits du patron et la participation aux bénéfices. Par PAUL BUREAU. Paris, Arthur Rousseau, 1898. — xix, 322 pp.

La Participation aux bénéfices. Étude théorique et pratique. Par MAURICE VANLAER. Paris, Arthur Rousseau, 1898. — viii, 310 pp.

Le Métayage et la participation aux bénéfices. Par ROGER MERLIN. Paris, Arthur Rousseau, 1898. — xvi, 578 pp.

Labor Copartnership. By HENRY DEMAREST LLOYD. New York, Harper & Bros. — 351 pp.

The four volumes in French above named are a part of the results of the competition for the prize offered by M. le Comte de Chambrun, the distinguished philanthropist, in 1896. The prize was divided in unequal shares among three writers, of whom M. Waxweiler, a *chef de bureau* in the Labor Office in Belgium, carried off the first prize, and M. Bureau, an adjunct professor of the *Faculté Libre de Droit* at Paris, took the third. The essay which won the second prize has not yet reached me. The Comte de Chambrun's liberality extended to the free publication of the prize compositions and of several others which received honorable mention, including the volume by M. Vanlaer, an *avocat* of Lille and a lecturer at the *Faculté Libre*, and that by M. Merlin, also an *avocat* and a nephew of M. Jules Siegfried, the minister of commerce.

These four volumes would make a contribution of much value to the literature of profit-sharing, could they be reduced to one book of (say) some three hundred pages, which should contain all the information not already in print and lately accessible, together with the

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substance of the chapters concerning the legal aspects of the scheme, the most forcible arguments for participation, the most potent criticisms of it and the most rational outlook for the future here presented. As it is, the task of deciding on the best three manuscripts among the twenty or more must have been a difficult matter, judging by the very diverse merits and defects of the four volumes above named. The program called for essays which should supplement the existing literature on the subject; but all of these volumes repeat considerable matter to be found in that literature. The program also called for a full treatment of the legal aspects of participation, and this demand accounts for the comparatively large amount of space in these books devoted to the law. As this matter is very simple and the record of cases of legal difficulties is very short, a few pages would contain the substance of all that the four writers have brought forward, with considerable amplification, to meet the conditions of the competition.

One misses in all these volumes a thoroughly revised and entirely trustworthy list of firms and companies now practicing profit-sharing. M. Merlin devoted himself more than the others to correspondence with business people whose names have become associated with the record of participation; but his *enquête personnelle* suffers from lack of digestive power on his part. His bulky work shows throughout the same defect. Two hundred pages given to *métayage* are surely an overplus here, while, at the same time, they form an important document for a student of this particular subject. M. Merlin refers to French books only, and his account of the profit-sharing system is chiefly concerned with France. Among the persistent mistakes concerning all English names in the four books, M. Merlin's transformation of the Page Belting Co. into "Messrs. Page, Belting and Co." is not the least amusing!

M. Waxweiler, owing to his travels, writes with the most intelligence of American and English matters. He renounces at the start, however, any thought of presenting new information on profit-sharing and concentrates his strength in restating the argument for the system from the economic and the legal points of view. Under the former heading he answers with spirit the criticisms of M. Paul Leroy-Beaulieu. He reviews in detail, in a special chapter, twenty-nine different objections. M. Waxweiler is, apparently, the most friendly of the four essayists to the system he expounds; but his tone is moderate, and his claims are not excessive for profit-sharing, as it is or as he expects it to be in the future.

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M. Bureau's volume seems to be the most vigorous of the four. It is not the work of an advocate, but that of a friendly critic who does not feel at all obliged to make out a case for profit-sharing, and is quite ready to reject optimistic views and hastily gathered information which he finds, or thinks he finds, in the standard literature. M. Vanlaer's work is notable for his penchant for algebraic formulas in his scientific exposition of the subject, for the emphasis he lays on the obstacles to the spread of the system and for the best tabular statement of the houses which have ever practiced participation; but he does not distinguish those now practicing the plan from those which have dropped it for one reason or another.

Mr. H. D. Lloyd's small volume contains the results of his visit to England in 1897, when he went around among the coöperative workshops, factories and farms of Great Britain and Ireland where profit-sharing obtains. Mr. Lloyd's previous books led one to expect a volume written from an unfriendly standpoint, like Miss Potter's misleading socialistic criticism of coöperative production. As an agreeable surprise, however, that note is entirely absent from this valuable work. Mr. Lloyd writes, indeed, as one entirely convinced, from his observation on the spot, that the co-partnership of the employer and the employee is a feasible and successful system, with a large future before it. Three of his most interesting chapters treat of the admirable work of Mr. Horace Plunkett in Ireland, the workmen directors in the South Metropolitan Gas Works and the Scotch Wholesale Society.

Mr. Lloyd's literary talent, which often ran away with him in his *Wealth against Commonwealth*, is here confined to its rightful task of lightening up history and statistics; and the result is a very readable book, in which readableness has not been purchased at the price of accuracy. Mr. Lloyd is more sanguine about coöperative farming than the majority of English profit-sharers themselves, but in other respects he is in full accord with the most thoughtful men among them. His book is one which M. Demolins might adduce as another sign of "Anglo-Saxon superiority" in the field of science. None of the Chambrun prize essays stands comparison with it in importance, as supplementing previous works on the same general subject of coöperation, for fullness and accuracy of information, for reliable figures and for freshness of interest.

NICHOLAS P. GILMAN.

MEADVILLE THEOLOGICAL SCHOOL.

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The Financial History of Baltimore. By J. H. HOLLANDER, PH.D., Associate in Economics in the Johns Hopkins University. Baltimore, The Johns Hopkins University Press, 1899. — xiv, 397 pp.

Recently aroused interest in municipal government has brought forth, as one of its first results, a host of articles and books of a general nature, mostly crude and based on insufficient knowledge of facts. Fortunately more scientific investigation has now been begun by those who believe, with the author of the present monograph, "that until essential data have been digested and arranged in a series of detailed monographs . . . there can be no comprehensive study" of municipal administration or finance. In this book Dr. Hollander has himself done more than any other writer to set before us such data. While to some it might at first seem supererogation to devote nearly four hundred octavo pages to one phase of the administrative history of a single city, the doubt disappears when the need of accurate material from which to draw wider generalizations is properly understood. We must remember, moreover, that a city's finances, when discussed as Dr. Hollander has discussed them, touch practically every side of its government. The fullness, the systematic arrangement and the sustained interest of this work are the more praiseworthy, in view of the "crude and inaccessible primary sources" with which, like other students of city affairs, the writer has had to deal.

The author divides the history of Baltimore's finances into four periods. The first, 1729–96, is the only one marked off clearly by a general change in municipal organization, the town first receiving a city charter in the latter year. Strangely enough, this charter was retained, with only gradual and partial amendment, down to 1898. This is but one indication of the fact that in all matters Baltimore has been, as compared with many other American cities, relatively free from interference by the state legislature. The other three periods are somewhat roughly distinguished by changes in the general character and policy of municipal life.

Although many leading features of financial practice had their origin in the two earlier periods, we may perhaps question whether Dr. Hollander has not given to these more space and effort than their importance warrants. In the third period, 1817–56, the most striking characteristic of Baltimore's financiering was the large use of its credit in aid of internal improvements — railways and canals. Unfortunately this dangerous policy did not, as with many other cities, early come to an end. In spite of the almost invariable failure of

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these enterprises to prove profitable, the municipality, urged on by the hope that thus its earlier investments might be rescued, continued to throw good money after bad as late as during the eighties; while to this day the corporations aided have continued to default, in part or altogether, in paying the interest on the large sums advanced to them or guaranteed for them by the city. Nor is this the only respect in which the city, during the most modern period of its history, has shown open and complete disregard of ordinary principles of sound finance. From conspicuous financial scandals, indeed, she has been comparatively free; for, although there has been much corruption and extravagance on a moderate scale, "the affairs of the city have simply been conducted upon a dull level of expensive mediocrity." But repeatedly during the seventies, and again in the past few years, attempts to give a false appearance of economy by a low tax rate have resulted in heaping up great floating debts, later necessitating issues of funding bonds. Additional appropriations made after the tax levies have swelled these deficits. Levies of taxes for sinking funds, though enjoined by law, have been, until very recently, simply dropped; while the normal accretions of these funds have been diverted to interest payments, so that large blocks of matured bonds have had to be refunded. The assessment of taxes, too, has been unequal and inadequate, and general revaluations have been made only at long intervals. The one commendable feature of the financial management has been the securing of a large revenue from the street-railway companies.

Dr. Hollander hopes for great improvement, in general as well as in financial administration, from the new charter of 1898, which he describes in detail. Its most important provision as to finance is the introduction of a board of estimates. For the future the author sees need of larger expenditures in many lines, over against a hitherto rather inelastic revenue. He believes, however, that — chiefly through better administration of the general property tax, but also through new license taxes on businesses especially benefited by city growth, and through more careful management of city property and franchises — the needed expenditure, under due economy, can be adequately met.

A few minor errors in diction or typography are almost the only blemishes upon this excellent piece of work. Thus we find "collate" used where codify or collect is intended (p. 152); ground "binding" upon a street (p. 210); and a rather monotonously regular use of the phrase "from out" or "from out of" the treasury or various funds.

STANFORD UNIVERSITY. E. DANA DURAND.

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The British Taxpayers' Rights. By H. LLOYD REID, F.S.S. London, T. Fisher Unwin, 1898. — xvi, 298 pp.

To those unacquainted with Mr. Reid's former work — *The British Taxpayers' Wrongs* — the title of the present work might prove misleading. It does not deal with the constitutional or legal rights enjoyed by British subjects in the matter of taxation, or with their ascertainment, definition or enforcement; but the book is essentially a treatise on taxation, prefaced by a miscellaneous assortment of observations upon economics and politics. The author states that his object is to prove that there are in general sociology, politics and political economy many axioms, general principles or maxims which might serve as a basis of an equitable and practical system of taxation, imperial and local. Doubtless this is true, if one confines one's self to those "axioms, general principles or maxims" which accord with each other. Mr. Reid, however, very impartially quotes all shades of opinion, and concludes by accepting only those which make for his own little pet scheme of fiscal salvation — to wit, a sole tax on general property.

Part I, though entitled "Public Finance," is essentially a disquisition on public expenditure, with some incidental remarks on audit and accounting. In the author's own words, this portion of the work embraces "the principles on which the funds required for public services should be raised with due regard to justice, economy and convenience" (p. 134). Part II, which parades under the title of "Fiscal Science," is virtually a treatment of taxation, under which the various theories of taxation and the canons of taxation, constitutional and administrative, are discussed. The latter topic, although not containing anything novel in principle, is freshly and originally cast, and possibly warrants the title which the volume bears.

The conclusion which the author draws from his discussion of taxation is that "a general Property Tax is the only true Right and Remedy for these financial and fiscal wrongs" (p. 272). Such a tax in Great Britain, he thinks, would not necessitate an annual tax rate of more than one and one-half *per centum* for imperial purposes on the aggregate of valuation, while the rate for local purposes would be even less. Under the scheme Mr. Reid proposes, the property to be taxed is "actual visible wealth, not securities, orders, warrants, *etc.*, for it, promises or contracts concerning it, or any symbols of, or substitutes for it" (pp. 228–29). The only exemption he approves is the minimum of subsistence. To discuss such a proposal within short compass is obviously impossible; it suffices to say that Mr. Reid

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has chosen to advocate a tax system which the great majority of financial authorities utterly repudiate and condemn.

It is worth noting, however, that Mr. Reid is thoroughly misinformed as to the workings of the general property tax in the United States. He says (p. 68, *note*) that the wealthy classes in this country are trying to discredit this tax! In another place (p. 230) he endorses Thorold Roger's mistaken assertion, that "no kind of property" is "exempt from taxation in the Eastern and Middle States of the American Union." Readers conversant with conditions in this country will assess at its true value his assertion (p. 272) that the "average tax rate on property in the United States, where customs duties chiefly maintain the small army and navy ordinarily employed, was $1.85% in 1888–89."

The whole book, indeed, although staggering under a mass of quotations from the most varied financial sources, is replete with error. The single tax system of Henry George, for example, is made identical with the *impôt unique* of the Physiocrats (p. 160). On page 178 we are told that one "of the lecturers on political economy in London Polytechnic centres has defined 'direct taxes' to be those levied on the individual intended to bear them," *etc.* John Stuart Mill is credited with a very similar observation. Mr. Reid's naïve way of crediting this distinction between direct and indirect taxes to an anonymous source reminds one of the countryman who found Shakespeare "full of quotations."

It may seem a harsh verdict to pass upon any book — especially on one which shows such a wide acquaintance with financial literature — to say that its usefulness consists chiefly in its being a convenient repository of classified quotations upon different phases of public finance. But such a verdict seems justifiable in this case. Excepting the somewhat novel re-formulation of the canons of taxation, there is little in this book likely to prove of value, outside of its conveniently arranged citations from financial writers.

PRINCETON UNIVERSITY. W. M. DANIELS.

John Ruskin, Social Reformer. By J. A. HOBSON. Boston, Dana Estes, 1898. — 357 pp.

Long before Mr. Hobson's study, writers like Professor Geddes had come to pay noble tribute to Ruskin's social work. Even as a biologist, Mr. Geddes could say: "Such teaching equals or exceeds at once in clear biological insight and in social wisdom anything else in the entire literature of practical economics." This refers to Ruskin's

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assertion that the expenditure of income acts directly and powerfully upon the conditions under which labor is carried on — that function and equality of organism are both determined by such demand. It has, however, been left for Mr. Hobson to round out this appreciation, by making a careful study of the purely theoretic side of Ruskin's economics, as well as of the bearing of this theory upon the more immediate practical issues. Mr. Hobson is probably justified in claiming that Ruskin

> has done more than any other Englishman to compel people to realize the nature of the social problem, in its wider related issues affecting every department of work and life, and to enforce the supreme moral obligation of confronting it.

It staggers us, however, to be told roundly that Ruskin's strictly *scientific* work in economics is of the first order. This sounds like Mazzini's claim that Ruskin's was the finest analytic mind in Europe. Mr. Hobson's defense is in boldly accepting the economic problem as primarily a life problem. Wealth is not, from this point of view, an affair of exchangeable product, but a "science of human welfare." Wealth is all useful and serviceable things, wholly independent of their exchangeability. The most that can be said for this cosmic hospitality is that it is useful to have a man of genius make us look at the problem from that side. Definitions so all-inclusive nevertheless carry their own defects, though Mr. Hobson does all that the acute and generous critic can do to give consistency to the author's purpose. Censure, on the other hand, is freely assigned — as for Ruskin's practical repudiation of democratic ideals and his treatment of women. But great discrimination is shown in defending Ruskin against the charge of mere hatred of machinery. The purpose of the savage diatribes was, after all, to get machinery into its proper relation to life and life's real uses.

In the thirteen chapters of Mr. Hobson's volume, nothing will more interest the readers who are fairly familiar with Ruskin than the chapter (xii) devoted to industrial experiments, including the Guild of St. George. Every admirer of Ruskin will be glad to know that, by indirection at least, most important practical results have come to us from the purely social teaching — as in the work of the Home Arts and Industries Association, and in the "500 classes" of home industries, the inspiration of which "has come largely from Ruskin." The volume is a noble tribute to Ruskin. It is also a real addition to the literature of the social question.

CAMBRIDGE, MASS. JOHN GRAHAM BROOKS.

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BOOK NOTES.

If Paris goes on producing sociological works at the present rate, it will soon become necessary to revise the apostolic *bon mot* about the multiplication of books and confine it to the sociological catalogue. It is some consolation to know that scholars of the next generation will be under no intellectual obligation to look through the pages of many of these works. Indeed, most of them appear to be the fruit of a curious idea which has taken possession of French authors who have done excellent work in other fields, that it is somehow incumbent upon them to define their position with reference to a science of sociology; and, with the Frenchman's passion for symmetry, they fall to writing treatises as the proper way to achieve this end. With few exceptions, these treatises contain a large amount of more or less interesting matter which can with no propriety be called sociology; and they omit an equal bulk of matter which should be included. These criticisms apply in full force to such a work as Charles Mismer's *Principes sociologiques* (2me ed., Paris, Alcan, 1898. — 286 pp.). It contains much interesting discussion of *la théologie*, *la metaphysique*, *la philosophie positive* and *la philosophie politique*, but it is by no means a system of sociology. In a slightly lesser degree, the same things are true of *Les Principes d'une sociologie objective*, by Adolphe Coste (Alcan, 1899. — 240 pp).

In *Les Bases sociologiques du droit et de l'état* (Paris, Giard et Brière, 1898. — lxi, 480 pp.) a serious attempt is made by Michel-Ange Vaccaro to restate those principles of natural justice which in the eighteenth century acquired the misleading name of natural law, but which, when regarded in their true light as dictates of morality and social expediency, must always be accepted as the real bases of positive law and must always continue to be among the most important subjects of scientific and practical interest. The French edition is a translation from the Italian; and the work originally appeared in the library of anthropological jurisprudence edited by Professor Lombroso. Professor Vaccaro discovers in that adaptation which is co-extensive with life, and especially in that struggle of group with group and of individual with individual which takes the varied forms of war, aggression and competition, the chief phenomenon of social

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evolution; and he interprets law and government as modes of the equilibrium which is gradually established. There is nothing essentially new in Vaccaro's interpretations; but his work is comprehensive and, to a reasonable degree, critical. He believes with Montesquieu that, while small states may be republican, moderately large states must be monarchical and great states despotic. Consequently, he argues that, in the outworking of natural justice, great states must disappear and the population of the world must be divided among small autonomous states living on terms of peace with one another. The book reflects the aspirations of the best European mind for that development of local self-government which has been to some extent realized in the United States. Possibly a greater familiarity with American conditions might lead Professor Vaccaro to reconsider his views of the relations of republicanism to the great state.

The discussion of the origins and primitive forms of the family by Dr. C. N. Starcke, of the University of Copenhagen, in the well-known volume on *The Primitive Family*, contained enough of new material and sound criticism to warrant rather high expectations of his later work, *La Famille dans les sociétés différentes* (Paris, Giard et Brière, 1899. — 276 pp), which is an account of the family under modern European conditions. If expectations are not fully realized, the reason should perhaps be found in the essential difficulty of any attempt to discuss the family life of the immediate present. Dr. Starcke holds that the Germanic and Latin peoples are fundamentally different in their social customs and ideas, and that the family assumes absolutely different forms in these two portions of the European population. The Germanic peoples he regards as so highly individualistic that solidarity of family life is difficult, husband, wife and child being everywhere recognized as independent personalities; while among the Latin peoples wife and child are still much more fully subject to the authority of the husband. As a matter of observed fact, this is a doubtful proposition; and Dr. Starcke's work would have been more valuable, had it been more strictly in the nature of a report of actual facts and less a theory of the development of different types of family life under differing racial conditions.

The third volume of Professor Friedrich Ratzel's *History of Mankind* (Macmillan, 1898) forms the concluding portion of a work already twice noticed in this QUARTERLY (Vol. XII, 1897, p. 532, and Vol. XIII, 1898, p. 715). It is devoted mainly to the so-called

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cultured races of the Old World, with a smaller continuation from the second volume concerned with the African negroes. Western Asia and northern Africa are comprehensively described. The illustrations are well chosen and executed — far better, however, in the case of implements, weapons, and works of primitive art than in that of racial portraits. In this latter respect, as we have before observed, the latest and best work seems to have been ignored. Thus, the rich stores of illustration in the works of Chantre and von Luschau, respecting the Caucasus, Mesopotamia and Asiatic Turkey, would have afforded distinct additions to the book. And the various English works on India and its aborigines seem to be but slightly represented. On the other hand, the general standard of the descriptive text is well maintained. To this comprehensive work, undoubtedly the best of its class, the general reader will turn for much interesting and valuable information. And withal, the volume, like its predecessors, is conveniently arranged and provided with full indexes of both its text and its illustrations.

Professor F. S. Hoffman, of Union College, dedicates his book on the *Sphere of Science* (New York, Putnams, 1898. — 268 pp.) to the memory of President Julius H. Seelye, of Amherst College. Dr. Hoffman's thought is in fundamental agreement with Dr. Seelye's and Dr. Hickok's; and his study of the nature and the method of scientific investigation is rather a philosophical criticism than an attempt to explain the progress of technical methods, though the latter is not ignored. Dr. Hoffman holds that such terms as the new astronomy, the new chemistry, the new political economy, the new psychology and the new theology are not so much the products of new facts as of a more thoroughgoing and scientific way of looking at the old ones. This is, perhaps, more completely true of the social sciences than of the physical and biological sciences; and Dr. Hoffman's reflections upon the relations of sociology to other departments of knowledge are interesting and suggestive.

Professor Letourneau's elaborate study of social evolution has already reached the ninth volume—*L'Évolution de l'éducation, IX* (Paris, Vigot Frères, 1898. — xviii, 617 pp.). This is in many respects one of the most interesting and useful of the series. Like its predecessors, it is mainly a descriptive, but also to some extent a critical, account of the phenomena indicated by the title, as observed in all the different human races and, so far as monumental and other historical evidences enable us to know, in all past ages. Like all of Letourneau's works, it is wonderfully comprehensive, as may be

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judged from the fact that among the topics treated are "Co-education as provided for in the Leland Stanford University" and "Manual Training as a means of Moral Discipline, as developed at the Elmira Reformatory." If Professor Letourneau is now and then a trifle optimistic, one can well forgive him; for it is not every student who, surveying so broad a range of social phenomena as he has viewed, finds in it the promise of a continuing betterment of human conditions, and especially of moral improvement.

In a brochure of only seventy-one small pages, *L'Éducation de la démocratie* (Paris, Armand Colin et Cie.), M. Armand Payot has said some of the freshest and soundest things of recent years on the relation of educational practice to democratic forms of the state. The author believes that a broad culture, a rational spirit and a profound moral faith are more necessary in a democracy than in any other form of political organization, and that all of these intellectual and moral conditions may be maintained by proper methods of education, brought to bear upon the young by faithful and intelligent teachers. His faith in the school is even greater than we are able to share in our own land of the common school system. Nevertheless, it is certain that the school machinery could be made to turn out better results on the side of citizenship than it does at the present time.

An interesting address to the University Hall Guild, of London, by Mrs. Humphry Ward, has been published under the title, *New Forms of Christian Education* (Boston, Thomas Y. Crowell & Co., 1898. — 39 pp.). It is a strong presentation of the value of that Christian teaching which is commonly known as radically Unitarian or rationalistic, but with the ethical enthusiasm which is characteristic of Mrs. Ward's writings generally. The book is not without its value for the student of social conditions and tendencies.

That Count Tolstoi must be reckoned with among the forces that are shaping the moral and social life of the twentieth century is now fully recognized by all philosophical minds. Whether one sympathizes or violently disagrees with Tolstoi's conceptions of Christianity and the social order, one must admit that a large and growing number of influential men and women have adopted them and are endeavoring to secure for them practical realization. The philosophy of Tolstoi has not anywhere been more concisely and clearly set forth than by Ossit-Lourie, *La Philosophie de Tolstoi* (Paris, Alcan, 1899. — 199 pp.). The book is more than its title indicates, as it combines a readable biography of Tolstoi with the exposition and criticism of his teach-

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ings. The appendix includes a complete list of Tolstoi's works, with dates and editions, and a bibliography of the more important works called forth in many languages by Tolstoi's own publications.

An interesting course of lectures on various social ideals, delivered a year ago by Professor Eugene Fournière at the Free College of Social Sciences in Paris, has been offered to a wider audience as a volume of the *Bibliothèque générale de sciences sociales* (*L'Idéalisme sociale*, Paris, Alcan, 1898.—307 pp.). Professor Fournière's point of view is the sociological, as distinguished from the metaphysical or theological; and he believes that moral laws are as immutable and as eternal as those of physical nature. The four parts of his book deal respectively with social idealism in general, the ideal conception of property, the ideal family and the ideal city. The author has strong sympathies with socialistic dreams, but he keeps them well in hand and does not permit himself to be carried too far away from critical methods. His love of individual liberty is almost as strong as that which John Stuart Mill displayed in his early writing; and while many of the conclusions will be regarded by most readers as too radical, the discussions are worthy of a serious reading.

The application of Mlle. Chauvan to be admitted to practice in the French courts led M. Louis Frank, a lawyer of Brussels who holds distinguished honors as a scholar at Boulogne and Paris, to bring together in one compact volume a comprehensive account of the legal status of women in various countries, and especially of their position at the bar in those countries where they have been admitted to practice (*La Femme avocat, en cause de Mlle. Jeanne Chauvan*, Paris, Giard et Brière, 1898.—313 pp.). M. Frank's sympathies are strongly with the woman's rights movement; and his conclusions as to the fitness of women to undertake any sort of legal professional work are optimistic. His book, none the less, is a useful résumé of the subject.

A vigorous woman's rights treatise—if we use the word "rights" in the literal and best sense—is *Mélanges feministes*, by Louis Bridel, Professor in the Faculty of Law at Geneva and a Deputy of the Grand Council (Giard et Brière, 1897.—247 pp.). The work is an exposition and criticism of the legal status of women at the present moment in America and Europe, and more especially, of course, in Switzerland. Notwithstanding great progress within a generation in the direction of making men and women equal before the law, there are still many inequalities and actual injustices to be remedied. The student will find nowhere a more concise summary of all the points at present under discussion than in this little volume.

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The second volume of Professor Emile Durkheim's admirable enterprise, *L'Année sociologique* (Paris, Alcan, 1899. — 596 pp.), fully sustains the reputation made by its predecessor. The plan of the work includes two parts, one consisting of original memoirs and the other of critical analyses of all sociological works published within a twelvemonth — in this case from July 1, 1897, to July, 1898. The original memoirs are *De la Définition des phénomène religieux*, by Professor Durkheim, and *Essai sur la nature et la fonction du sacrifice*, by Hubert and M. Mauss. Both these papers are attempts to set forth the sociological foundations and character of religious phenomena. The sociological publications analyzed are grouped as general sociology, religious, moral, juridical, criminal and economic sociology, social morphology and miscellaneous. The analyses throughout are made with great clearness and intelligence. Professor Durkheim is making his annals indispensable to the sociological student.

Professor Antonio Labriola, of the University of Rome, has been putting his views on the subject of the philosophical validity of socialism into the form of a series of letters to his French friend and co-worker, M. G. Sorel. They have been collected as the fifth volume of the *Bibliothèque socialiste internationale*. In their original form they were published at Rome, in an Italian edition, at various dates from 1895 to 1897. Now, much modified and with many additions, they appear in the French edition as *Socialisme et philosophie* (Paris, Giard et Brière, 1899. — v, 262 pp.). The volume is chiefly interesting as one more of a hundred accumulating evidences that European socialistic thought is rapidly moving away from the theories of Marx.

Students who desire a clear statement of the later tendencies of the socialistic movement on the continent of Europe, as interpreted by the philosophical anarchist wing of the socialistic propaganda, should turn to the *Formes et essence du socialisme*, by Saverio Merlino (Paris, Giard et Brière, 1898. — xlv, 294 pp.). This is a translation, or rather an adaptation in French, of two Italian works, *Pro e contro il socialismo* and *L'Utopia collettivista*. Readers of this work will find some difficulty in recognizing it as socialism, if they have been accustomed to apply that word chiefly to Marxian doctrines.

Professor Alfred Espinas, of the University of Bordeaux, whose works on animal societies, on experimental philosophy in Italy and on the history of economic doctrines are favorably known, has essayed a sociological interpretation of the eighteenth century and the French Revolution, *La Philosophie sociale du XVIII siècle et la Revolution*

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(Paris, Alcan, 1898. — 412 pp.). To those already acquainted with the author's thought it is sufficient to say that he controverts the theory which sees in the Revolution an individualistic movement engendered by an individualistic philosophy, and that he interprets it rather as an important stage in the evolution of socialism. Preceding stages were the downfall of the Greek cities and the downfall of the Roman Empire with the introduction of Christianity and the Renaissance. A subsequent stage was the Revolution of 1848.

A general political history of France, continued into a discussion of the general social polity and prospects of the French people as they appear at the present time, is attempted in Dr. H. Soulier's *Des Origines et de l'état social de la nation française* (Paris, Giard et Brière, 1898. — 520 pp.). The discussion of needed economic and political reforms is marked by good sense; and the author's strong grasp of the theory of evolution enables him often to throw new light upon historical problems.

A considerable contribution to the period of decadence of the guild system in France has been made by Professor Hauser, in a work entitled *Ouvriers du temps passé* (Paris, Alcan, 1898. — xxxviii, 252 pp.). M. Hauser was led to undertake this study by the conviction that the relations between the master and his workmen during the Middle Ages were by no means so ideal as has often been represented. He has made a careful study of the conditions of labor during the fifteenth and sixteenth centuries, more especially in the provinces; and he devotes much space to a history of the great printers' strike of the sixteenth century. The book forms a good supplement to the chapters of Levasseur's *History of the Laboring Classes*, even though we miss the power of broad generalization.

Germain Martin's *La grande Industrie sous le règne de Louis XIV* (Paris, Rousseau, 1899. — 466 pp.) deals primarily with the period from 1660 to 1715. It attempts in the first part to give a very detailed account of Colbert's endeavors to develop industry. M. Martin is the general secretary of the *Musée Sociale*, and he goes very largely to original material for his information. He ascribes to Colbert the greatest possible influence in the industrial renaissance, but thinks that toward the end of his career Colbert carried the system of protection to an extreme. The second part of the work continues the recital to the second quarter of the eighteenth century, and is to be followed by another volume dealing with the later period.

An interesting contribution to the industrial history of England has been made by Professor Cunningham in his *Alien Immigrants to*

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England (London, Sonnenschein, 1897. — xxii, 286 pp.). Beginning with the Normans, the author takes up the influence of the Jews, the Templars and the Lombards on finance, of the Gascons on commerce, and of the Flemish and Italian immigration of the fourteenth century. The next period considered is that of Henry VIII and the religious refugees. Additional chapters deal with the influence of the Dutch and the Huguenot immigrations, while a special chapter is reserved for the *émigrés*. Here, as in so many of his recent works, Professor Cunningham is largely dependent upon the work of his students, one of whom is even made responsible for an entire section. The book is designed to be popular in its character, forming as it does one of the *Social England* series. It cannot be said in any sense to exhaust the subject.

The volumes so far published in the *Studies in Economics and Political Science*, edited by Professor Hewins and published under the auspices of the London School of Economics and Political Science, have won for themselves a good reputation. The two latest numbers are *The Economic Policy of Colbert*, by A. J. Sargent, and *Local Variations in Wages*, by F. W. Lawrence (Longmans, 1899). The work of Mr. Sargent is a small duodecimo of 138 pages, and purports to be merely a short study, having obtained the Whately prize at Trinity College, Dublin. Mr. Sargent discusses in turn reforms in taxation, industrial policy, foreign trade and the results of the war. The author finds that, as a financier, Colbert merits ungrudging praise; but he is not quite so positive as to his industrial or his commercial policy. In these respects, however, Mr. Sargent hardly does justice to Colbert, and judges him too much from the nineteenth century point of view. The most valuable part of the work to the student is the excellent bibliography of over fifteen pages. Mr. Lawrence's book is a large quarto of ninety pages. The investigation was undertaken at the suggestion of Professor Marshall in the spring of 1897. It is an elaborate piece of work, bristling with tables and diagrams and divided into two parts, which the author terms "extensive" and "intensive," respectively. A very large number of facts, taken from each of the various trades, have been collected and admirably marshalled. The conclusions of the author are not strikingly new, but tend to confirm certain theories which have already been more or less completely accepted. He finds that the variation in wages between different localities is due primarily to a difference in the character of the people, accompanied by a difference in the value of a day's work. The book abounds in interesting

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indications as to the influence of trades unionism, of constancy of employment, of overtime, of family work and of intermigration. Altogether, it is a creditable piece of work, which will enhance the reputation of the London school.

The question of the minimum wage established by law for large classes of workers is one that will have to be answered by experimental methods before the social reformers will be satisfied. Consequently, any good account of actual attempts in this direction has a real value; and the little book, *Le minimum Salaire en Belgique*, by Lucien LeFoyer (Paris, Giard et Brière, 1897. — 96 pp.), is good, both as an account of Belgian conditions and as a theoretical interpretation. The author is a lawyer and has made excellent use of the statutory material.

One of the best fruits of the union between legal and economic studies, brought about by the recent change in the French university system, is the portly volume by M. Maurice Lambert, a lawyer of the court of appeals at Montpellier, entitled *Essai sur la protection du salaire* (Paris, L. Larose, 1897. — xx, 373 pp.). Professor Gide furnishes a short introduction, in which he calls attention to this aspect of the situation. The work itself is divided into four books, dealing respectively with the protection of wages as over against the employer, the creditors of the employer, the creditors of the workman and the various members of the workman's family. The most important of the four divisions is the first; and M. Lambert concludes that the employer ought never to be permitted to make any deductions from wages. Incidentally, the work contains a good history of the truck system and an interesting survey of the comparative legislation on the wages contract.

There has recently appeared the first volume of the collected essays of Professor Lujo Brentano, *Erbrechtspolitik; alte und neue Feudalität* (Erster Band. Stuttgart, J. G. Cotta'sche Buchhandlung, 1899. — 592 pp.). Most of these essays are of comparatively recent date, dealing especially with the economic aspect of the problems of inheritance in France, England, Prussia and Bavaria. Not the least interesting of the essays is the one which attempts to show the real future basis of the Silesian linen industry. Students to whom Professor Brentano has been known only as an investigator of labor problems will greet with interest this new work, in which he displays the same mastery of detail and keen power of analysis which made his earlier books so popular.

A convenient compilation is the work entitled *A Tabulation of the*

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Factory Laws of European Countries, in so far as they relate to the Hours of Labor, and to Special Legislation for Women, Young Persons and Children, by Emma Brooke (London, Grant Richards, 1898.— 52 pp.). The introduction calls attention to the important points of likeness, as well as of difference; while the tables are arranged in parallel columns which enable the reader at a glance to get a bird's-eye view of the facts. A series of notes calls attention to some of the details which it was impracticable to put into the tables.

The second American attempt — in view of the publication, a few years ago, of the *Hull House Maps and Papers* — to follow the example of Mr. Booth's study of the London population is *The City Wilderness: a Settlement Study by Residents and Associates of the South End House*, edited by Robert A. Woods (Boston, Houghton, Mifflin & Co., 1898. — 319 pp.). While the work contains some very readable information, it cannot be put in any way on a par with its English model. The chapters are superficial and leave the uncomfortable impression that they might as well have been written for the columns of some daily paper. There is no attempt at any thorough compilation of facts or at any scientific analysis of the facts. It would be far better to cover less ground and to do more intensive work.

The third part of Professor Conrad's *Grundriss der Politischen Oekonomie* (Jena, Fischer, 1899. — 176 pp.), of which the earlier parts were noticed in the POLITICAL SCIENCE QUARTERLY, is devoted to the science of finance. It is significant of the author's point of view that, after a few introductory words, about two-thirds of the work is devoted to taxation, leaving only short chapters for the domain of public debts and only a few pages for public expenditures and the budget. Students of finance will welcome the especially full treatment of indirect taxes and the comparison of the most recent acts of legislation on the subject in the various countries of the world.

The *Hand- und Lehrbuch der Staatswissenschaften* (Leipzig, C. L. Hirschfield), which was founded by Kuno Frankenstein, has been continued since his death by D. Max von Heckel. Three numbers which have recently appeared are devoted, respectively, to transportation, insurance and the budget. Of these the first, by Dr. van der Borght, *Das Verkehrswesen* (1894. — x, 468 pp.), is intended to bring down to date the great work of Sax, published in 1878–79, although on a very different plan. After a valuable introductory chapter on the "Development and Influence of the Economic Principles of Transportation," the author deals successively with highroads, canals, railways, the post and the telephone. More attention is devoted to the

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question of principle than to illustration. The book as a whole is an exceedingly good piece of work. *Das Versicherungswesen*, by Hermann and Karl Brämer (1894. — xii, 413 pp.), treats of a topic that has hitherto been largely neglected by economists. In view of the fact that we have no adequate English work on the subject of insurance, this volume will supply a long-felt want. The authors consider in turn the principles and the facts of all the varieties of insurance, and present an immense mass of historical information and of details as to actual conditions in every part of the world. The authors are experts — one of them in private business, the other a government official. *Das Budget*, by Dr. Max von Heckel (1898. — xiv, 354 pp.), is conscientiously written and contains much information, with special reference to German conditions. But to English and American readers there is, with this exception, very little in the book which will cause it to be preferred to the admirable French work of Stourm on the same subject. In this volume, as in the others, the bibliography is most elaborate.

Those interested in the history of taxation will welcome the monograph by Dr. Adolf Kölle on *Die Vermögenssteuer der Reichsstadt Ulm* (Stuttgart, W. Kohlhammer, 1898. — 136 pp.). Dr. Kölle points out how the general property tax originated in the thirteenth century and how it continued practically unaltered until the end of the last century. He also traces very clearly the various steps by which the general property tax was converted into a series of taxes on product, which again, at the close of the nineteenth century, gave way to a system of income taxes.

The second volume of M. Léon Say's collected works on French finance has been published under the title *M. Léon Say au Ministère des Finances* (Paris, Calmann Lévy, 1899. — 777 pp.). This volume covers the years from 1876 to 1882, during most of which M. Say was at the head of the treasury department. Professor Liesse, the editor, calls attention in his introduction to the fact that the chief questions then discussed were the monetary problem, internal improvements and the ordinary budgetary topics. Whether we sympathize with the social views of M. Say or not, we must recognize that in purely fiscal matters he was a past-master. Not only students of French financial history, but all those interested in sound fiscal principles, will welcome the second volume as one of the most important works of the decade.

A statistical investigation devoted to the currency is the elaborate work of Ernst Biedermann, *Die Statistik der Edelmetalle* (Berlin,

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Wilhelm Ernst & Sohn, 1898). This is a large folio of eighty-four pages, which contains, in addition to the many tables, three very elaborate colored diagrams. The author follows the plan of Soetbeer, and has brought the figures down to the end of 1895. He is largely dependent upon the work of Mr. Preston, director of the mint of the United States, and of Mr. Leslie Probyn of England. The appendix contains an introduction to the chief problems of the coinage controversy, with a clear summary of the arguments on both sides.

The Free Library of Economics and Political Science, of Philadelphia, has published a *Hand Book of Labor Literature*, compiled by Helen Marot (vi, 96 pp.). While the selection of such a list is very largely a matter of individual opinion, the work seems to have been well done. The annotations are comparatively few and short, but almost invariably contain some interesting information. Perhaps the most useful part of the *Hand Book* is the list of labor periodicals and of the addresses of the publishers of all kinds of labor literature. The volume also contains a complete index, and will prove a convenient supplement to the sections contained in the *Reader's Hand Book of Political and Social Science*, published by Mr. Bowker a few years ago.

As an extremely convenient and reliable book of reference for all kinds of information regarding the political and administrative organization and the economic and social conditions of all the countries of the world, the *Statesman's Year Book* has long had an established position. Its enviable reputation is, however, now likely to be enhanced — among Americans, at least — by the publication of an American edition (New York, The Macmillan Company, 1899. — *c.* 1518 pp.), under the editorship of Hon. Carroll D. Wright. In the issue for 1899, the remainder of the world is treated in some 1228 pages, while the United States receives 290 — about seven times the space allowed in the former English edition. Even the student conversant with statistical literature — such as the government reports on which this volume is so largely based — would have some difficulty in turning at once to the sources of some of the information contained in these pages, and nowhere else would he find it in such convenient form; while the average editor, author or man of affairs will find the work quite indispensable.

By using the title, *Japanese Notions of European Political Economy*, a disciple of Henry George resorts to a rather unscrupulous device for attracting readers to a single-tax pamphlet. The brochure is announced on the title-page to be a summary of a report

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to the Japanese government by a commissioner appointed to investigate European economics, and a preliminary sketch is ascribed to a member of the "Japanese Legation." The text is interspersed with words having a sufficiently Oriental cast to deceive the casual reader and give an effect of verisimilitude to the pamphlet. But an acquaintance with either the Japanese language or the single taxers' arguments speedily reveals the spuriousness of the work. It is, in fact, one more title in the long list of publications that exemplify nothing but perverted ingenuity.

Among the German communists, Winkelblech wrote almost half a century ago; but it is only in late years that any attention has been paid to his fundamental doctrines. By a curious coincidence two recent books are devoted to the analysis and criticism of his views: the one by Edgard Allix, entitled *L'Œuvre économique de Karl Marlo* (Paris, Giard et Brière, 1898. — 283 pp.); the other by Stanislaus Grabski, entitled *Karl Marlo* (Karl-Georg Winkelblech) *als Socialtheoretiker* (Bern, K. J. Wyss, 1899. — 116 pp.). The French work is far more voluminous, but less critical. M. Allix thinks not only that Marlo was the founder of modern professorial socialism, but that the whole social reform of the future must proceed on the lines laid down in Marlo's great work. Dr. Grabski, while not at all unappreciative, discloses a more conservative attitude, incidentally showing that these positions of Allix cannot be maintained, and that Marlo well deserved the comparative oblivion which overtook him. To all students of German socialism and social reform, however, these monographs will be of value.

Swan Sonnenschein & Co. have undertaken the publication in English of several of the shorter works of Karl Marx. Four of these have thus far appeared: *The Eastern Question, Secret Diplomatic History of the Eighteenth Century, The Study of the Life of Lord Palmerston* and *Value, Price and Profit.* All of these have seen the light in former years except the last monograph, which was discovered among Marx's manuscripts. It gives a very clear and succinct view of his fundamental principles, and is addressed primarily to workingmen. All four of the volumes have been edited by his daughter, Eleanor Marx Aveling — who died, however, before they were finally published.

Numbers IX and X of *Papers from the Historical Seminary of Brown University* are entitled, respectively, *The Council of Censors* and *The Government of Federal Territories in Europe.* In the former, which is a reprint, Mr. Lewis H. Meader discusses briefly the history

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of the council of censors, which formed a peculiar feature of government, as provided in the first constitutions of Pennsylvania and Vermont. In the latter, Mr. Edmund C. Burnett outlines the system followed by the federations of Greece, Switzerland and the Netherlands in the government of their dependencies.

Sir Henry H. Johnston's *History of the Colonization of Africa* (Cambridge, University Press, 1899. — 319 pp.) contains a mass of reliable information concerning the discovery and colonization of Africa in both ancient and modern times. Attention is paid to Arab settlements, as well as to the prolonged efforts of the Portuguese, French, British and other nationalities of modern Europe to colonize the Dark Continent. Special chapters are devoted to the slave trade, to Christian missions and to the great explorers. A number of excellent maps aid one in following the many complicated changes in its political geography. The record is brought down to date, and the author writes with the special knowledge which he has gained from prolonged official service in various ports of Africa. A brief review of the whole subject, such as this book contains, will be found very useful by both the student and the general reader.

Mr. Amos Kidder Fiske, in his volume on the *West Indies* (*Story of the Nations Series*, New York, Putnams, 1899. — 414 pp.), has devoted special attention to the physical geography, the inhabitants and the social conditions of the islands lying between Florida and the coast of South America. The history of their discovery and settlement is briefly given, as is also an outline of the systems of government under which they have existed and still exist. The attractiveness of the book is increased by a few maps and some excellent illustrations. Though containing little but secondary material, it gives in an interesting form much general information about the West Indies. It is a good introduction to a more thorough study of the subject.

Mr. Lester G. Bugbee reprints from the *Publications of the Southern History Association* an article on "Some Difficulties of a Texas Empresario." This is a special study, from the original sources, of the difficulties against which Stephen Austin had to contend in the founding of his colony in Texas, between the years 1821 and 1828.

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